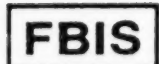


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4 DECEMBER 1986

## Near East/South Asia Report



FOREIGN BROADCAST INFORMATION SERVICE

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4 DECEMBER 1986

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EGYPT

DEFENSE MINISTER INAUGURATES MILITARY CITIES

Cairo AL-AHRAM: AL-TAB'AH AL-DUWALIYAH in Arabic 22 Oct 86 p 1

[Article: "Seventeen Military Cities in the Desert Ensure That the Armed Forces Can Face Any Challenge"]

[Text] Field Marshal Muhammad 'Abd-al-Halim Abu Ghazalah, assistant prime minister and minister of defense, announced that the Egyptian armed forces have begun to construct 17 military cities in the desert and that 12 of these cities have already been completed. He affirmed that these cities would ensure that the armed forces would be able to face any challenge and facilitate any movement launched east, west, north, or south. They also serve strategically to distribute our forces in various directions.

During his inauguration yesterday of two new cities in the regions of Janitah and Shalufahin Suez, Field Marshal Abu Ghazalah, who was accompanied by four ministers, affirmed that no burden for these new cities would be borne by the public facilities and that they are self-sufficient in all their needs.

The field marshal said: The cities have brought the armed forces out of areas cordoned off in crowded cities and into the desert. It has been seen to during the construction of these cities that they depend on themselves by building utilities and services completely separate from the major networks of the cities. Field Marshal Abu Ghazalah called unlikely the possibility that the military cities would be struck because they widely disperse their forces, which makes it hard to strike at them. In addition, these cities give greater opportunity to the Egyptian air force to protect them against hostile air challenges.

He said: The military cities will also contribute to facilitating the movement of traffic in Cairo and other cities, since armed forces transports will not be forced to penetrate the large cities. Likewise, traffic will be reduced within them. Abu Ghazalah clarified that 13 small military cities had been completed in various parts of the republic and that 10 more cities were planned.

Major General-Engineer Mahmud Fahim 'Abd-al-'Aziz, head of the armed forces' corps of engineers, announced that the state would not bear any economic burden for building the military cities and that they have been funded from the profits from selling land owned by the armed forces within the cities. The first city for which this system was applied was "al-Hakstib" City, the area of which

is 12,000 feddans, 1,000 of which will be farmed by means of a water purification station. The construction of this city, which will accommodate 150,000 people, will be completed during the first half of 1988. A branch of the Suez train line and a line from the Cairo metro will reach the center of the city, which is located between the desert roads of Suez and Isma'iliyah.

Four ministers attended the inauguration: the ministers of settlement, electricity, housing, and emigration. It was also attended by the heads of the Labor Party, the Freedom Party, and the Nation Party; members of the youth secretariat of the National Party; the governor of Suez; and important leaders of the armed forces. Engineer Hasballah al-Kafrawi, minister of settlement, described the armed forces' undertaking to build military cities as a good initiative in the framework of settlement to move the population density from Cairo and the large cities to the desert, especially since the armed forces establish model settlement communities that are complete with facilities and services without the state having to bear any financial burden for them.

Engineer Mahir Ibazah, minister of electricity and energy, said that the armed forces' use of new and renewable sources of energy in its new military cities was the first initiative in the policy of husbanding energy and that there was a fruitful cooperation between the Ministries of Defense and Electricity in the field of research on energy, since military production is beginning to generalize the use of solar heaters in the new cities and in military academies and institutes. The Ministry of Electricity also seeks the assistance of the armed forces' experience in many fields, such as in the use of wind and ocean wave energy and biogas energy. The minister mentioned that the production of the military factories and the Ministry of Electricity's factories had reached the level of producing 40,000 solar heaters yearly. He indicated that there was a study that aimed at adding the costs of solar heaters to the costs of building residential units.

Engineer 'Abd-al-Rahman Labib, minister of facilities and housing, affirmed that housing would be provided to officers, non-commissioned officers, and soldiers through cooperative loans that would be paid off over 30 years at low interest rates and that the armed forces would not bear any of the cost of building these residences, but would supervise their construction only, just as it would distribute them without giving them any special privileges.

The minister mentioned that the value of the loans for the residences of the unions that the armed forces are constructing has been raised from 9,000 pounds to 12,000 and that from 1,000 to 3,000 pounds must be paid to prove the seriousness of the reservation. The loan will be repaid over a period of 30 years, in addition to making the payments quarterly during the 3 years, which is the period of the implementation of the project.

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EGYPT

#### WAR ADVOCATED AS SOLUTION TO EGYPT'S PROBLEMS

Cairo AL-ALHRAM: AL-TAB'AH AL-DUALIYAH in Arabic 14 Oct 86 p 12

[Commentary by Mahjub 'Umar: "With Respect to War"]

[Text] The winds of the great October war continue to blow; they carry the most beautiful memories and signs of hope. In their vastness, ideas become clear and feelings delight in the presence of martyrs and the proud heads of the wounded. Conversations of October are renewed. They talk much about the glories of the Arabs and very little about what followed them and above the conversations rises the repeated questioning of the many writings that have been published or broadcast. What is it that brought the Arabs to this situation now, after those glorious days that witnessed their solidarity in time of war?

The glory of those days reached its climax in the words of an article by Mr Salamah Ahmad Salamah in AL-AHRAM on 5 October entitled, "The Spirit of October, Can We Recover It?" in which he said: As much damage and destruction as wars cause to the spirit, they also contribute to reorganizing societies under the pressure of war conditions. They also help to regain a spirit of cohesion, solidarity, and joint responsibility and put an end to confessional chauvinism and bigotry, not to mention the various scientific and technological accomplishments they produce.

After that, the writer says that the October war is the key to solving all the current problems that Egypt faces at home and abroad. He even indicates that we will not be able to impose the spirit of the October war on our Arab brothers around us, if we cannot impose it on ourselves.

In general, the articles that have been published on the 1973 October war have varied on these notions and have not been this clear, just as the writings and sayings have been characterized by a noticeable calming of the attacks on other Arabs and of blaming them for what the situation has come to. Indeed, many things have even been said about the importance of a renewed, unified Arab position. The treatment, then for what we are now in is the return to the war option, even if no one has frankly said this, and the return to Arab solidarity, even if no one has specified how that might be done.



Return to the war option does not mean that Egypt launches a war immediately, it means, in the first place, a basic correction of the concepts that have been circulated and have prevailed since someone said that the October war was the last war. Since that time, certain people have competed in attacking war and blaming it for the state that economic conditions have reached. Some of them have even blamed it for the deterioration of Egypt's regional and international position. It has even reached the point of some officials publicly announcing on television during a debate on the Taba issue recently that the only means of getting Taba back is negotiation and accepting arbitration. One of the speakers said that war was unlikely!

To begin with, one side of a dispute's calling the possibility of the war option unlikely does not in any way mean that the other side will believe this. Whatever the statements of the clamorers that the October war was and will be the last war, no Israeli official has believed it or will believe it. On the contrary, they are constantly taking Egypt and its army into account now and will continue to do so in the future with all its possibilities. There is much proof of this: Egyptian sources confirm that during the 1982 war in Lebanon, Israel mobilized 6 brigades on the southern border to watch out for any Egyptian movement. Recently the newspaper, the SUNDAY TIMES of 5 October (that is, one day before the anniversary of the war), published the news about Israel possessing 200 nuclear bombs. Besides the date of the leakage of this news and its aims, no one can imagine that such a nuclear arsenal was prepared to face any forces other than the Egyptian forces. Before and after the Egyptian-Israeli peace agreement, the enemy never stopped talking about the necessity of maintaining complete military superiority over all the Arab forces, not just the Syrian or the Egyptian ones alone. They are not afraid of this nor do they consider that discussing it is harmful to their image or to so-called peace efforts, as certain people on the other side claim.

However, abandoning, publicly at least, the military option has had very harmful effects on the Arab and local levels. The pact of the unified Arab military leadership, which had taken upon itself the design of joint plans for confronting the single Israeli enemy, has dissolved and this has by necessity led to an absence of coordination in several indispensable areas in time of peace that ensure success in time of war. There is an absence of coordination in training, arming, and in the area of the exchange of information and strengthening of skills. The joint work on building a successful and advanced arms industry, which, if it had continued in accordance with the spirit of the October war, would have realized more independence of movement from the will of the superpowers that export arms and ammunition, has stopped.

Because Egypt is the largest Arab state and because it is the first target of Israeli aggression and of all international imperialist plans, the announcement of its leadership about the abandonment of the war option was a warning of the dissolution of the pact of the Arab states that occurred afterwards. Some of the leaders of these states have the illusion that they can take the place of Egypt. Some others have fallen back on their resources and privileged positions, thinking that they can do without Egypt.

All of this is reflected, of course, in the economic and political aspects of Arab relations. The situation has reached the point now where each Arab country has either withdrawn into itself, begun to fight with its neighbor, or made narrow regional blocs, which turn their backs on total Arab unity.

Internally, this abandonment, publicly at least, of the war option has led to a campaign attacking all military history, whether it be ancient or modern and to blaming Egypt's wars for its current economic problems. It has also led to a lack of public interest in any issue that stimulates the enthusiasm of the people and ensures their cohesion and unity. Officials have complained about the deterioration of the spirit of patriotism and some thought that dance songs could take the place of anthems on bravery in war. Others hastened to fabricate an enemy of Egypt from among its sisters and neglected mentioning the Israeli enemy. Indeed, they promoted it and tried to establish friendly relations with it.

The Israelis and the Americans have not stood around with their hands tied before this new situation; they are behind it. They hastened to circulate illusions of so-called peace and ease which has never been achieved. They submerged the country in oppressive debts and, more dangerous than that, they submerged it in an atmosphere of corruption, greedy consumerism, and a strange Western lifestyle. On their side, they are still preparing for war against Egypt and are working at the same time to weaken it by weakening the spirit of war among its sons.

The lowest point was reached with the attack on the Palestinian struggle and the attempt to prove its futility and blaming it for Arab and international conditions and for the fact that so-called peace had not been achieved, as if the Israeli enemy is innocent and offers peace, while others refuse. The people have become confused, one day hearing a conversation blaming things on Palestinian obstinacy and then hearing reports of Israeli attacks on North and South Lebanon, as if the Israeli aggressors do not want 6 October to pass without contaminating Arab skies with their airplanes and destroying Arab houses with their bombs. These are the results of the announcement to abandon the war option: debts, weakness, disintegration, bigotry, and confusion between enemies and friends. None of this was present during the October war and its days.

Where were we and where have we arrived?

The war days were days of unity, solidarity, discipline, and sacrifice. These days of peace that are no more than a truce are days of debts, pressures, relinquishment, and extremism. These are the lessons of the present and the past. What future are we heading towards?

We are inevitably heading toward another war with the Israeli enemy. They are preparing for it by increasing their forces and by weakening us. Are we going to learn from history for the future through the lessons of the glorious October war. It has already taken its place in history in any case because it was a war.

EGYPT

DRAFT AGREEMENT ON TERRORISM PRESENTED TO IMO

NC091647 Cairo MENA in Arabic 1345 GMT 9 Nov 86

[Text] Cairo, 9 Nov (MENA)--Egypt has again emphasized its categorical condemnation and denunciation of all forms of terrorism, as a violation of the simplest principles of human rights.

Egypt has also renewed its call for an international conference to discuss and debate terrorism and its causes and find the means to combat it, uproot it, and protect innocent lives from its evils.

This was noted in a statement issued by the Egyptian Foreign Ministry today marking the meeting of the International Maritime Organization, [IMO], which will begin in London tomorrow, Monday, and continue until 14 November.

Dr 'Ismat 'Abd al-Majid, deputy prime minister and foreign minister, said in the statement that, in accordance with President Husni Mubarak's directives, with his declaration at the beginning of this year about combating terrorism, and with his call on the international community to convene a conference on terrorism, the Egyptian Government, together with the Italian and Austrian governments, has presented to the IMO a draft agreement on combating illegal acts against the safety of maritime navigation.

The statement noted that since the international law on combating acts of terrorism against maritime navigation has some shortcomings, and since recent incidents have drawn attention to the extent of these shortcomings, this draft agreement constitutes a positive step toward offsetting these failings and filling the gaps. In addition, this draft agreement responds to UN General Assembly resolutions. Egypt expresses hope that efforts will be made internationally to expedite discussion of this draft agreement, which will be put on the IMO agenda for its meetings in London. Egypt appeals to the IMO member-states to discuss this draft agreement expeditiously and approve it in the interest of the international community and the safety of its members.

/8918  
CSO: 4500/27

EGYPT

POPULAR FEAR OF POLICE DISCUSSED

Cairo AL-AHRAM: AL-TAB'AH AL-DUWALIYAH in Arabic 27 Oct 86 p 16

[Commentary by Anis Mansur]

[Text] A foreign diplomat told me that he had not slept for a week. He had seen near the Barrages the bloated corpse of a drowned man on the bank.

He asked people. They told him that it had been there for days.

He asked: Hadn't any policemen seen it?

They said: All of them.

He asked: What does this mean?

They told him: Fear.

The people are afraid that if they show this corpse to the police, they will interrogate them as to how they happened to see it and when. The police will make them stay at the station for a day or two! As for the police, he was told, they do not want headaches, so they leave the corpse until it decomposes or until the waves carry it to another district so that it has to investigate!

I asked a security official and he denied that anyone who reports a body or even a murdered person would be punished by the police with imprisonment. This is a great exaggeration. However, there is a kind of sick fear among the people and distrust of the police. There is an enormous distance between the people and the police. There is no mutual understanding and trust. Everyone has his story and if there is no story, he has a common, intricate history about what the police have done to the citizens in both normal and abnormal circumstances. If it often happens that a crime is committed on the boundaries of a precinct or a district, they push the corpse into the next district, it's easier on people! I was riding in the car of our consul-general in Frankfurt, Mr Fakhri 'Uthman and I noticed that Germans would wait around until his car came to a complete stop. The reason for this was that if they saw that he had hit the car in front of him or behind him, they would immediately volunteer to notify the police! If any citizen in Germany notices that a person has been standing in the street for a long time or that he has come and gone once or twice in front of any house, a number of citizens will volunteer to notify the police and the police believe everyone and consider their cooperation indispensable!



EGYPT

#### EDUCATOR DISCUSSES YOUTH, RELIGION

Cairo AL-AHRAM: AL-TAB'AH AL-DUWALIYAH in Arabic 30 Oct 86 p 11

[Article by Mustafa 'Abd-al-Ghani: "Where Do Youth Today Stand With Regard To Intellectual Trends?"

[Text] Dr Ibrahim Madkur, president of the linguistic academy, is an important scholar of language, society, and education. He played an active parliamentary role in the parliament during the 1940's and has played an undeniable role of conciliation among various youth trends for nearly half a century.

Dr Ibrahim has his own opinion on the youth of today and the many problems and issues they face. I wonder what intellectual trends are current among Egyptian youth? What are their reactions and their concerns today? We asked him and he answered: The thing about the youth is that they always go after what is new and this willingness of theirs is a good thing. However, the task of reformers and those who advocate novelty is to present novelty in a way that is appropriate to the youth. Indeed, in the 1930's and 1940's, we would stop at these signs of international progress, which we noticed right and left; we would stop at them looking for their positive and negative aspects and would weigh them on a scale suitable to them, and then we would judge them. I have often directed youth on the right path and showed them the right way. What is too bad is that everything has gotten mixed up in the 1970's and 1980's, because on the one hand intellectual leaders have not fulfilled their task well and because on the other there was a push toward revolution or leaving the mainstream that took the youth either right and left. What helped this along was that there was not enough freedom and that people were not living in broad daylight in an acceptable way.

Thus, there is this corrupt environment and negligence on the part of writers and researchers and these attempts by the youth that I welcome. However, I want them to understand Islam well and to write about it accurately and in this way we can present free and creative ideas.

Islam is not dry. It is enough for me to say that the four great schools we have are proof that Islam is open-minded to everyone. It is enough for me to say that in al-Shafi'ism, one of these schools, al-Shafi'i had an opinion in Baghdad "Iraq" and then came to Cairo "Egypt" and changed and amended it so that he had an old school and a new school. How then can we infer from this

Islamic thought or from this Islamic view that it is inflexible, or how can we try to make it inflexible when it was never inflexible? I fear that those who are trying to make it rigid and stop with it are incapable of coming up with anything new. When they are provided with research and study they will be able to. The door of Islamic interpretation, which was abolished one day, but not by an outstanding intellectual, has been closed. I believe that the thinker Muhammad 'Abduh closed this door and opened it to whoever would see and think. After him came learned men who had their opinions and stated them. It is sufficient to mention al-Shaykh Shaltut, as well as Mustafa 'Abd-al-Raziq. His contemporaries were partisans of this renewal. We can also point to 'Abd-al-Wahhab Khalaf or al-Khafif or their like. The important thing is that these men knew Islamic teachings well and harmonized between them and the requirements of the age. What we want to do is adhere to it in instructing, disseminating, and directing the youth. In this way we will get away from the rigidity that wants to return us to opinions that did not exist during the Islamic renaissance but that were current during the dark ages of the 8th, 9th, and 10th centuries of the hijra. However, our learned men and our youth should not look backward like this.

These are the ideas that we must adhere to for the public good: revival, progress, clarity, and use of the intellect as well as adherence to Islamic principles. As we all know, they are principles that give precedence to right and duty. Then, we can put an end to the ignorant ideas that have absolutely no basis in the teachings of our orthodox religion.

[Question] Then this is the understanding applicable to the doctrine and the identity that have not yet been crystallized. Should we not add to this social progress and administrative drawbacks, as you described them in the 1940's in your book "Governmental Administration", or is this an issue linked only to religion and our position toward religion?

[Answer] Islam was never a call for a belief or a religion only, it was also a call for reform and revival. Al-Mamun, the Abassid caliph, used to send out missions east and west to obtain knowledge and background on ancient thought, such as Indian, Chinese, Greek, and Roman thought.

The result of this was that a not insignificant portion of the revival of ancient Greek civilization reached modern civilization by way of the Arabs. This was in turn translated into Latin and the European languages. There was no scholar, philosopher, man of letters, or religious interpreter who did not know that there are constant and known sacred ideas and that they are inevitable. However, there is also freedom of opinion, wisdom, assessment, renewal, and reform.

The truth is that I want social issues to be politicized.

[Question] Don't you think that the educated religious thinker today is negligent in trying to understand fanaticism in the youth and in trying to deal with it?

[Answer] The truth is that the pressure and coercion that existed in the 1950's and 1960's did not open the door to anything. People were forced to close their mouths because we all knew that the telephones were being bugged, that conversations in the schools were being monitored, etc. All this compelled the intellectuals to be silent.

The reawakening began in the 1970's and 1980's, although it did not become clear until the last 5 years: in newspapers and books. I fear that the stage demands that the leaders be much more profound and much wiser with regard to the youth. I fear that the people who deal with such matters are either old or have tired of the struggle and so they have stopped in the middle of it. However, I hope that writers in their forties and fifties will participate in this area and that they will treat current concepts in light of the present and future. They will doubtlessly find in the teachings of Islam the call for true reform, sound humanist education, and the revival that we are striving for.

[Question] In view of the present and its issues, how do you see the future. .. the Arab intellectual future?

[Answer] I was never for one day pessimistic, nor have I been in a hurry. What I want is for those who call for reform to be open-minded concerning the mistakes of those who err, to treat them leniently, and to begin to deal with the basics. What is basic is the family, and the family today is not carrying out its duty in forming its youth. First of all, there is a great distance between the father and his son. Second, the demands of progress require that the ideas of a father in his sixties be different from those of the son in his twenties. Nevertheless, a father in the past spent more time with his sons than he does now.

We want the father to spend more time with his sons, especially during the age of anxiety. Here I would like to point out that the educated Egyptian mother has not fulfilled her duty in these circumstances. Mothers must attend to it at home and in university associations.

This is with respect to the family. As for the schools, I would really like them to pay as much attention to forming the intellect as they do to athletics. After ensuring a sound body, we want to ensure a sound mind. A sound mind means that we present free books according to the age of the youth. We tried in the 1940's and 1950's to start a children's library, the beginning of which was not bad. I now advocate the resumption of this effort.

If we did all this we would find our youth in better shape.

Despite all that has happened, I am very hopeful, as long as there is freedom and as long as their banner is our banner, as long as we remain open-minded, and as long as we try to educate ourselves appropriately. I would like to say here that youth today does not read. I knew youth in my generation who read al-Manfaluti, al-Ziat, al-'Aqqad, and Taha Husayn. Do you notice any youth today between the ages of 18 and 20 doing that? I doubt it.

There are also useful books on Islamic thought that they have not read, for example, the writings of Ahmad Amin, Muhammad al-Khadari, and many others.

We turn only toward the television and radio today. These carry out their tasks but I urge the youth to educate themselves and to have their own issues that they are living through and that they deal with.

I believe that if we do this by the end of this decade, we will regain what we were so proud of during the 1940's and 1950's.

13292

CSO: 4504/41

EGYPT

ZAKI BADR'S RECEPTION IN SHURA COUNCIL LAMPOONED

Cairo AL-WAFD in Arabic 6 Nov 86 p 15

[Cartoon by Salah Shafiq]



Key:

1. I want to go to the lavatory, but I'm afraid Abu-al-Zayk [nickname for Zaki] will see me!
2. Everyone knows it pal...Abu-al-Zayk had to join the Shura Council--"He who brews poison must taste it!"
3. You do not have to be too smart to figure out where Abu-al-Zayk is going to sit [pointing to club].
4. ABU-AL-ZAYK IN THE POLICE, ABU-AL-ZAYK IN THE SHURA--This is a really terrific series of movies!
5. He was appointed especially to represent the Vengeance Bureau.
6. Hey, everyone...Abu-al-Zayk will have to stay after closing time for a quarter of an hour...to receive thanks from the guys who elected him.

/9365

CSO: 4504/58

EGYPT

BRIEFS

ELECTRICITY COOPERATION WITH ITALY-- Cairo, 10 Nov (MENA)--Egypt's Electricity Authority and a consortium of Italian companies signed an agreement this morning for technical cooperation under which the consortium will build a new generator at Damanhur Electricity Station. The new unit will be able to generate 300,000 kw per hour. The governments of Italy and Canada will supply \$134 million in funding, \$4 million of which is a grant from Italy and the rest a loan on easy terms. Egypt will provide 12 million Egyptian pounds for the project. [Excerpt] [Cairo MENA in Arabic 1150 GMT 10 Nov 86 NC] /8918

CSO: 4500/27



IRAQ

FIRST DEPUTY PRIME MINISTER ON WAR STRATEGY, PEACE EFFORTS

London AL-MAJALLAH in Arabic 3-9 Sep 86 pp 15-16

[Interview with Taha Yasin Ramadan, Iraq's 1st Deputy Prime Minister, by Qasim al-Samawi: "Taha Yasin Ramadan: We Continue to Strike Iranian Economic Targets"]

[Text] The intensity of the Iraq-Iran confrontation has escalated recently as a result of Iraq's strikes against the Iranian economic facilities, especially the strike against Sirri Port. This strike is considered a significant qualitative development in Iraq's military capability and in the course of the war, generally. At the same time, the Iranian threats against Iraq and against the area's countries have continued, thus giving the impression that the efforts and mediations to put an end to the war that has been going on for 7 years have faltered.

Qasim al-Samawi, AL-MAJALLAH correspondent in Baghdad, met with Iraqi Deputy Prime Minister Taha Yasin Ramadan and asked him about the Iraqi position, the Iranian threats, and Iraq's military preparations and strategy for the next phase. Following is the text of the interview:

[Question] Observers have considered Khomeyni's latest statements, in which he rejects any mediation to end the Iraq-Iran war, as the go-ahead signal for the offensive about which Tehran has been speaking for a time. What is your comment on these statements?

[Answer] The fact is that the Iraqi leadership does not await an opinion from the Iranian leadership or a statement from Khomeyni. We have been fully convinced of this regime's intentions since it assumed power and before the war erupted. The picture has now become clearer to most countries of the world, whether in connection with this regime's rejection of any mediation to end the war, or in connection with its intervention in the internal affairs of a number of Arab and Islamic countries. We are fully confident that this regime will continue the war for as long as it possesses the capability to fight and that it will not change its position, despite all the appeals saying that right, logic, and the two countries' interests dictate peace. The only way for us to impose peace is to block all the avenues for supplying the requirements for continuing this war. The main avenue is the economy. For sometime now, we have focused all our efforts and we will continue to focus them on the economic

aspect, mainly on oil, on the refineries, the electricity plants, and on the production sector. Iran's rulers began, before and since the raid on Sirri Port, to realize that this approach does actually hurt and they have escalated their efforts to strike the populated cities with artillery, with the desperate attempts of their aircraft to penetrate our airspace, and with the missiles with which they hit Mosul, Kirkuk, and Baghdad. It is our belief that they are trying with these acts to force us to strike their cities so that we may provide them with an internal cover or a reason to declare general mobilization on the pretext that Iraq hits cities, civilians, children, and so forth. We have affected the Iranian economy seriously, and all observers agree on this. Iran cannot retaliate at the same level. This is why it has resorted to this poor approach. The Iraqi leadership, despite its pain because the attacks on and the killing of civilians, has been stronger than the development and has not allowed itself to be dragged to this approach. It has continued to focus on the purely economic targets which, in accordance with international laws, fall within the framework of what is permissible in wars. At the same time, this approach contributes effectively to imposing peace. I again say that to us, there is nothing new in these statements. At the same time, we are following the right path. Iran's future is gloomy and we do not wish to judge it prematurely. But we are confident of victory and of preventing Iran from achieving its aggressive objectives.

#### Iran Experiences Difficulties

[Question] What is your assessment of Iran's domestic situation and of its present military capabilities? How is Iraq preparing for the expected Iranian offensive?

[Answer] Iran is experiencing serious difficulties in completing the troop concentration it has been seeking. It needs to voice slogans and to take positions with which to justify continuation of the war. It also lacks in mobilizational aspects. For our part, the Iranian offensive is known and declared. Whether it takes place today, tomorrow, or after a month, our requirements are prepared and our strategy is constant. In the first place, this strategy is to strike at economic installations. In the second place, it calls for relying on a mobile defense system whenever the opportunity allows so that we may ensure our capability to control our eastern borders firmly and may not undermine our reserves and our premeditated plans. I do not wish to anticipate the developments and say whether they will or will not attack. However, an offensive in the desired degree requires a long time in the wake of the great drain Iran has suffered in past battles and in light of the confusion prevailing in the Iranian domestic arena. It must be noted that whenever positive elements surface or whenever the current calling for peace gains strength, we find that Iran pushes these endeavors away so that the war may continue.

[Question] Iraq's eastern borders are still threatened by Iran. Do you plan to confront this threat by declaring general mobilization so that there may be comprehensive popular participation in repelling the Iranian attacks?



[Answer] As a regime and as a party leadership, we in Iraq have adopted the approach of mobilization, whether for fighting, for building, or for any other purposes--a mobilization different from the classical mobilization formulas adopted in other countries. Practically and legally, we do not need mobilization because we apply the conscription law in full detail. We have the popular army militias and we have compulsory reserves. There are organizations that constantly prepare the citizens not included in the call-ups we have referred to. Our people are continually and constantly prepared and are ready to face any emergency without the need for a "mobilization" decree because the general mobilization formula is prevalent and because the role of the vigilant masses makes mobilization process a constant and ongoing activity and not an activity for a certain condition.

#### Threats Against Area

[Question] In the wake of the successful strike against the Iranian island of Sirri--a strike which, according to observers' testimony, has been effective--Iranian President 'Ali Khamenei made new threats to expand the scope of the war and to strike other targets in the Gulf area in retaliation. What, in your opinion, is the required position in light of this serious threat?

[Answer] What is required is greater cooperation with Iraq because the Gulf states are, in fact, in the same trench and the same line with Iraq. Iran every day offers proofs to make everybody in the area more aware of the dangers of this regime and of its plans toward the area's states, excluding none. Consequently, greater cooperation, solidarity, and joint efforts are required to confront this enemy. However, Khamenei's threats and Rafsanjani's statements seem strange and contradictory. They say that the strike against Sirri is a minor issue, that "international arrogance" has given it greater weight than it merits, and that the "missile we fired at Baghdad is a thousand times bigger than the Sirri strike." These statements do not merit an answer. The strike against Sirri was a purely Iraqi act and, contrary to their allegations, it was not carried out with the assistance of other circles. It is not true that our Air Force can reach Sirri only with the aid of others. They must be more practical. Our Air Force can reach not only Sirri, but also beyond Sirri. All the international agencies have confirmed this. But if they seek through their statements to create a justification to expand the scope of the war, then this is another matter. This threat will not influence our course and we will continue to strike all their economic facilities wherever they happen to be as long as this action speeds up the collapse of the Iranian economy. Their objective is to prevent us from striking their facilities. This is why they have resorted to making threats against the Gulf states in a game that is exposed to us. Moreover, Sirri Island was not an oil export terminal originally. The Iranian oil pipelines terminate in Kharj. When the risks escalated as a result of the daily raids on Kharj and when the insurance costs rose sharply, the Iranians exploited this pier (Sirri pier), not by pipeline, but by old Iranian tankers transporting oil stealthily by night to giant storage tanks on Sirri. Other countries' tanker were afraid to go to Kharj and turned to the

Sirri pier. When we discovered that Sirri was no longer just a pier but a facility contributing to boosting the Iranian economy, we dealt our blow without hesitation.

[Question] Excluding the mediations suspended currently because of the Iranian position, delegations from Cuba, Nicaragua, and from other countries adhering to neutrality in the Iraq-Iran war visited Iraq a few days ago. We wonder, is there a new mediation or a new endeavor to end the Iraq-Iran war?

[Answer] I do not wish to give any weight to or express any optimism on the issue of mediations, even though we eagerly hope for their success. We have given the main weight to our people first and to the new strategy, led by President Saddam Husayn, to confront the Iranian enemy. This does not mean suspension of the political efforts. On the contrary, the political effort must continue in the same manner and with the same enthusiasm so that we may assure the world that we are a civilized country and have our capabilities on the one hand and that we respect world public opinion on the other. It is true that we have not attached weight to the mediations' chances to achieve peace. But we, as an independent country, believe that we are a part of the international community that is affected by and that affects this community. We must exhaust all means to make our issue clear not only to those who understand it but also to those who hold a viewpoint different from ours. We were not pleased with the position of Cuba, Nicaragua, and of other countries at the outset of the war. This was up to them, of course. We also understand the political circumstances of these countries and the principle of neutrality they followed at the time. But now that numerous points have been made clear, I believe that there have been numerous changes in the positions of countries which almost supported Iran. Therefore, we cannot say that Cuba's and Nicaragua's position is the same position they held 2 or 3 years ago. There are numerous countries trying to contribute to settling the conflict. These countries are aware of our positive stance on any beneficial effort. Moreover, these countries are members of the Nonaligned Movement which will hold its conference in Harare and whose agenda will be topped by the issue of this war. Therefore, these tours and contacts fall within the framework of crystallizing the positions in preparation for this major conference.

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IRAQ

## PROJECTS BUILT IN KURDISTAN DURING WAR REVIEWED

Baghdad AL-THAWRAH in Arabic 18 Sep 86 p 4

[Article: "Autonomous Area Witnesses Development Renaissance in All Spheres of Life During Years of Our Just Defensive War"]

[Text] The Kurdistan autonomous region has, despite the circumstances of the war of aggression imposed on our struggling country during the last 6 years by the tyrannical clique in Iran, witnessed a comprehensive development renaissance in the various spheres of life and society.

The indicators produced by the glorious Qadisiyah battle of Saddam reaffirm the eagerness of the party and revolution leadership, headed by Leader President Saddam Husayn, to secure all the requirements for developing and enhancing the capabilities of the autonomous institutions in all spheres of the area's life and to expand the services provided to its citizens.

The annual reports prepared by the Executive Council on the activities of the autonomous departments during the preceding years of the war note that the general secretariat of the Construction and Housing Department of the Kurdistan autonomous region has implemented 223 service projects in various parts of the area at a cost of 20 million dinars.

The projects include buildings for educational, health, and sports institutions; offices for popular organizations, and housing projects; and improvement and development of the external roads.

The general secretariat of the Municipalities and Summer Resorts Department has implemented 173 service and tourist projects at a cost of more than 30,876,000 dinars, including tourist houses, casinos, modern markets, markets for craftsmen, tourist hotels, public parks, children's parks, and tourist restaurants, in addition to paving internal roads in the tourist areas and developing numerous water projects in all parts of the autonomous region.

The general secretariat of the Agriculture and Agrarian Reform Department has completed outstanding projects in the area, namely, the perpetual cultivation project in 'Aynkawah which employs the crop-rotation system, the complementary irrigation project in Irbil plain, and Aski irrigation project which covers an area of 27,000 dunums.

Insofar as underground water is concerned, a total of 325 artesian wells have been drilled in all parts of the region to meet the agricultural projects' water needs and to supply potable water to the villages and the countryside. As for crop cultivation, more than 12 million dunums of the region's lands have been cultivated with summer and winter crops.

The reports also deal with the activities of the general secretariat of the Internal Affairs Department in implementing the particulars of the investment plans during Saddam's Qadisiyah battle concerning vocational training, the training of male and female teachers for the elementary schools of the region's governorates, and preparing the budgets for the local departments.

As for buildings and installations, the general secretariat has implemented in the preceding period a total of 41 projects at a cost of 13,243,000 dinars, including government buildings, offices for the General Federation of Iraqi Women, firefighting centers, 50 elementary schools in Dahuk Governorate at a cost of 1,147,000 dinars, and a factory for concrete products.

As for the area of education, the revolution has provided all the requirements and the war years have reflected high rates in all the educational phases. Enrollment in kindergartens for the age group of 4-5 years has increased by 4.1 percent. Enrollment in the elementary schools increased by 2.6 percent over the past year and a total of 62,072 students were enrolled in elementary schools in all of the region's governorates. The number of students in the intermediate and preparatory schools rose from 71,879 students to 93,058 students in the past academic year. This is in addition to implementation of the Revolutionary Command Council decree reinstating Kurdish as the language of instruction for social and national studies in the schools covered by the decree, to the appointment of more than 490 male and female teachers to fill the vacancies in the intermediate and preparatory schools, and to the allocation of appropriations for maintenance and repairs.

The reports further deal with the accomplishments of the general secretariat of the Social Affairs Department during our just battle. These accomplishments include completing the construction of eight hospitals with a capacity of 900 beds and supplying them with the latest scientific medical equipment, building apartments to house the physicians, and building a central medical clinic; an outpatient clinic, a dental clinic, a nurses' school, a sanitarium, a pharmacy, 15 major and subsidiary health centers, 107 housing units for physicians, five medical warehouses; and repairs and expansions in five major hospitals in the area and development of the teaching hospital, of the artificial kidney section, and of the dental medicine complex.

In the area of social welfare, the general secretariat has built two nurseries, two institutes for training the blind, a kindergarten, a social center, and a workers library, in addition to developing the old people's welfare home. The secretariat has also built the Irbil pediatrics and obstetrics hospital, which has a capacity of 260 beds, at a cost of 11 million dinars, and an emergency hospital in al-Sulaymaniyah, with a capacity of 200 beds, at a cost of

650,000 dinars. The secretariat has also carried out the national comprehensive vaccination campaign, vaccinating 482,488 women and children. The general secretariat of the Culture and Youth Department implemented 46 projects which have cost 1.51 million dinars and included 17 premises for the vanguards, two youth camps, a popular stadium, and two sports fields in Irbil at a cost of 271,000 dinars. It has also built 10 premises for the vanguards, two popular stadiums, a permanent youth camp in Dahuk Governorate, and a permanent youth camp and a warehouse for the Youth Directorate in al-Sulaymaniyah Governorate.

The general secretariat of the Economic and Financial Affairs Department has prepared the budgets of the autonomous departments in accordance with the central instructions and directives and submitted them to the Executive Council to be approved and included in the state's general budget. The secretariat has also organized the area's intrinsic revenues and the charts pertaining to them, has prepared the cadres concerning the autonomous institutions, and has disengaged the treasuries of the autonomous area departments from the Ministry of Local Government and attached them to the autonomous agencies (it has also issued to the citizens permits to import goods and materials which the Ministry of Trade handles in accordance with the requirements in force).

The general secretariat of the Religious Trusts Department has built 65 mosques in various parts of the area at a cost of 996,000 dinars, including 26 mosques in Irbil Governorate, 20 mosques in al-Sulaymaniyah Governorate, and 19 mosques in Dahuk Governorate. It has also restored and furnished 57 mosques in the region, in addition to furnishing 58 other mosques in the modern villages and big villages from the 4.5-million dinar grant advanced by the Revolutionary Command Council. The secretariat has also appointed hundreds of clergymen as imams, preachers, and muezzins to improve their living conditions and their notable role in building the new society.

In the name of the area's masses, Yahya al-Jaf, the chairman of the Executive Council of the Kurdistan autonomous region, has renewed the pledge to Leader President Saddam Husayn to continue the efforts and the sacrifices, to bolster the democratic relations between the state agencies and the citizens, and to mobilize all capabilities to serve our just battle, the glorious Qadisiyah battle of Saddam, and to balance our military victories on the battlefronts with the regular implementation of the region's development plan.

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IRAQ

## BASRA VISITED AFTER SHELLING

London AL-TAMADUN in Arabic 18-24 Oct 86 pp 16-17

[Article by Ibrahim al-Barjawi: "Basra Is Steadfast Under Iranian Shelling"]

[Text] Tayyuba<sup>h</sup> Farhud is a fine Iraqi young woman who is as thoroughbred as her people. She lives with her family in the low-rent district of al-Jabal in the city of Basra, which saw the glory of al-Farahidi, Abi al-Hasan Muhammad al-Basri (also known as Sinbad), the poet Badr Shakir al-Sayyab, and other greats of Arab history.

Last Sunday, as on any other weekday, Tayyubah left the University of Basra and headed for her simple abode house that stands amidst similar old popular houses that distinguish Basra's pedigreed old districts.

It was around five in the afternoon and Tayyubah was doing homework with younger brother 'Ali. Suddenly without warning, the sky was crowded with shells of heavy artillery fired across Shatt al-'Arab on the heads of civilians in Basra, harvesting their souls and piling up their bodies.

Tayyuba feared for her body and soul. Her family's abode residence had no chance against the hellish missiles unleashed by the rulers of Iran against the children, women, and old people of Iraq. She grabbed her brother's hand and rushed out as the concussion from the aggressor's heavy shelling caused the books to fall off the desk. She headed for the house of her neighbor Umm Mamal because it was built of stone and offered more protection from fire and shrapnel that rain daily on Basra's districts and inhabitants.

Tayyubah and 'Ali ran the 20 meters that separated them from the house of their neighbor, a mother of four. They crossed the outer gate and entered the little garden. They thought they were safe and thanked God. But this is not the end of the story of the 19-year-old and her 15-year-old brother. They were not at their home or at their neighbor's house to tell their story to the foreign and Arab reporters who, in the company of Basra governor Fawzi Rashid, inspected the damage inflicted by Iranian shelling on peaceful districts that have nothing to do with military or economic targets.

Umm Jamal recounted the story of young Tayyubah and her brother 'Ali:

"The attempt to escape their abode home for my stone house did not help the poor things. No sooner had they entered the front gate than a shell hit my house destroying half of it and severely wounding my four children. Shrapnel hit the two youths, who were killed instantly. Their bodies were torn apart. Pieces of their flesh smeared the iron gate, our car, and the garden fence."

The story of the innocent Tayyubah and her brother, related to us by Mrs Dina 'Abbud, known as Umm Jamal, was not the only tragedy we heard as Iranian shell harvested the lives of innocent civilian women, children, and old people in Basra or other border towns. There are many others in the same shoes as Tayyubah who did not survive long enough to live up to the name chosen for her by her family as an omen of the goodness of their land and their spirit. She did not live long enough to realize her youthful ambitions and dreams of a husband with whom to share in her homeland a future she hoped to assure by majoring in agricultural engineering at college.

The story of Umm Husayn is no less tragic. Her full name is Muna 'Abd-al-Husayn. She lives at house No 26 in the district of al-Sabkhah al-Kabirah. Her house was bombarded day and night for 3 days. The shells were not content with two children martyred the first day but demanded a toll of wounded from other family members.

Jinan Muhammad had a two-story house that was flattened out. Her tears tell of the martyrdom of Mazin, Taha, and Rashad in her family. But she showed her stuff when she said: "An Iraqi woman does not cower before Khomeyni's shells."

The children of Basra do not fear the shells either. They still play in the narrow streets that run between buildings of beautiful old oriental design and examples of thoroughbred Islamic and Arab architecture.

A few of the children talked to us of long nights of shelling. They assured us they are not afraid because they are Iraqis. Only a 5-year-old was unable to hide his child's feeling when he said, "I am afraid!" and burst out crying. His comrades, the oldest of whom was hardly 10, comforted him and then commented: "He is still a baby."

We found out during our tour that the fear expressed by that child was not generally reflected by the people of Basra. They go about their daily activities in schools, farms, and businesses with diligence perhaps honed by their defiance of the shelling and their acceptance of the challenge.

There are many other scenes, stories, and statistics on the constant daily shelling and its civilian casualties, wounded, and destroyed homes. We were not too concerned with those in this tour because military communiques detail them daily.

It is our journalistic duty, however, to affirm that a 3-hour tour of Basra, its streets, hospitals, and schools, and before that a similar tour of the rural town of al-Qut, which has a population of 120,000 and lies in central Iraq about 90 km from the Iranian border and 180 km south of Baghdad--we have not found one thing that could justify the Iranian shelling of a house or a school or a hospital. There is no military presence nor any sign of an economic facility. On the contrary, we found that facilities of economic importance are located far away from the areas shelled by the Iranians and were not subjected to a missile or an air raid.

#### Why Shell Innocent Civilians?

Lt Gen Tali' al-Dawri, in command of the Third Corps east of Basra, answered that question when we concluded our journalistic tour of Basra and al-Qut by a visit to the front and an interview with its leader known as the hero of Kardahmund in recognition of his victories in the battles of the northern mountains when under assault by Iran.

Lt Gen al-Dawri said: "I don't think the Iranians are shelling Basra as prelude to invasion. They use long-range artillery constantly to shell heavily populated civilian districts in Basra and other towns in order to avenge their tremendous human losses at the front. They have been unable to win any victory over Iraqi forces since they declared their intention to launch a big assault that would, as they claim, decide the course of the war.

"When they found themselves unable to deal with the Iraqi army, they took their revenge on unarmed women, children, and old men."

Asked to comment on foreign press reports of Iranian concentrations at Iraqi borders estimated at 800,000 soldiers, Lt Gen al-Dawri said: "We are facing them and can see them by the naked eye. We are certain, because of this and other intelligence reports, that their concentrations do not exceed 10 percent of the foreign press estimates."

Asked about the timing of the big Iranian assault east of Basra, Lt Gen al-Dawri said: "First, I don't expect an assault on the scope described in the foreign press or threatened by Iran, which does not have the wherewithal or the equipment to launch it. However, I expect attempts to cross our borders and occupy part of our land, much in the style of what took place recently at Kurdahmund, Majnun Island, and the deep harbor. They were unsuccessful there and they will be unsuccessful again at any other place on the front.

"We will not let them accomplish their attack goals, certainly not occupying some Iraqi territory in order to boost the sagging morale of their people and troops because of the heavy losses we inflict upon them. As mentioned by President Saddam, we are now concentrating on making it impossible for them to occupy 1 inch of land in their quest to cover up their failure to bring the war to a decisive milestone as their information media have claimed."



IRAQ

#### BRIEFS

AL-NAJAF ELECTRICITY PROJECTS--The Electricity Distribution Directorate of al-Najaf Governorate has taken numerous steps to ensure the continued supply of electric power to the governorate. Numerous electricity networks have been built in the quarters of Qadisiyat Saddam, al-Karamah, al-Qadisiyah, al-Jami'ah, al-Nasr, al-'Adl, al-'Abbasiyah, al-Kufah, and the governorate capital. The bottlenecks in all parts of the governorate have also been eliminated with the installation of new electric generators. Moreover, the directorate is eager to ensure the continued supply of electric power to the agricultural pumps spread throughout the governorate's rural area. [Text] [Baghdad AL-THAWRAH in Arabic 18 Sep 86 p 5] 8494/12795

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ISRAEL

COUNTRY'S TIES WITH POLAND DESCRIBED

Jerusalem THE JERUSALEM POST in English 17 Oct 86 p 5

[Article by Wladimir Struminski]

[Text] NINETEEN years ago, the Polish regime, angry at the Israeli victory in the Six Day War, broke off diplomatic relations with the Jewish State, sent the Israeli diplomats in Warsaw packing, declared Israel an aggressor against the peace-loving Arab nations and started a fierce anti-Israeli and anti-Jewish campaign. Zionism - never accepted by communists as legitimate - was declared a major enemy of Poland and the word "Zionist" became pejorative.

Most Jews in party and government positions were fired as "Zionists," even though many of them had been communist anti-Zionists. The majority of Poland's remnant Jewish population left the country in 1968 and 1969, leaving behind an estimated 10,000 to 15,000 Jews.

Like other Eastern Bloc countries, Poland became heavily involved on the Arab and PLO side of the Middle East conflict, lending that organization not only political but also material aid, according to some reports not confirmed by official Polish sources, military support as well.

In November 1975, Poland was among those states that voted in favour of the infamous UN resolution declaring Zionism a form of racism. Even today Poland toes the Soviet Mideast line, demanding an Israeli withdrawal from all occupied territories and an independent Palestinian state. But now one fact has changed. The Zionists have returned to Warsaw.

A team of Israeli construction workers is readying the building that housed the former Israeli embassy at 24 Krzywicki Street, where the new Israeli interest section will soon assume its duties. The Israeli diplo-

mats have already arrived in Warsaw in keeping with the Polish-Israeli agreement signed a few months ago on the exchange of diplomats after lengthy negotiations.

It is easy to feel the ironical twist of history at the Israeli return to the Polish capital, or at least to notice a certain contradiction in the Polish position, but then we live in a world of realpolitik: obviously, both sides decided that a slightly schizophrenic relationship was preferable to a highly logical absence of relations. Anyway, in Poland, things are not always clear-cut.

THE VERY definition of the re-established links is a masterpiece of diplomacy. The respective representative offices of the two countries in Warsaw and Tel Aviv are called "interest sections" and will operate within the embassies of other states - the Israelis at the Dutch one in Poland, and the Poles at the Finnish one in Israel. True, the Dutch and the Finnish embassies represented Israeli and Polish interests in the years of severed relations. There was an Israeli interest section in the Dutch embassy even before the Israeli diplomats arrived, but it was staffed by Dutch nationals and located physically in the Dutch embassy. So the real change is the arrival of the Israeli diplomats and their presence in the Israel embassy building.

The Israeli head of mission, Mordechai Paltzur, has the rank of an ambassador and will be assisted by another two Israeli diplomats. A number of Israeli embassies in the world do not have more than three diplomats.

Whatever its name, then, the Israeli representative office in Warsaw looks very much like an embassy and one would be surprised if it did not attempt to act like one, even if in a low-key way, however much the Poles claim, officially in any case, that the interest section will not deal with political issues, but rather will limit itself to fields like humanitarian and cultural affairs.

As for the Israelis, one can safely guess that they know the phone numbers and the addresses of a few Polish ministries and politicians should they want to talk about more than the sale of theatre tickets. And there can be no doubt that the Polish side will inform the Soviet Union about the activities of the Israelis in Warsaw, which implies an exchange of information between Moscow and Jerusalem, however indirect.

As for Arab-Israeli contacts, Warsaw is not the ideal place for them. A Polish expert noted that in other places such contacts would be easier to arrange and to keep secret. However, Poland does maintain regular contacts with radical Arab states and with Palestinian terror organizations and thus offers a potential line of communications, if the parties concerned should wish one.

The set-up of the representative offices as interest sections is a compromise. At the outset of the negotiations, which started in May 1985 in Bonn between the Polish and the Israel ambassadors, the Poles suggested that a link be established between the two countries in terms of private commercial companies, possibly even staffed by nationals of a third country. Israel, for its part, expressed its interest in the establishment of fully-fledged embassies.

The negotiations were prolonged and suffered setbacks. All along, the Polish government insisted on secrecy on the talks, and sources in Warsaw say that Polish Prime Minister Wojciech Jaruzelski reacted angrily to media leaks on the talks in Israel.

The Polish behaviour – the initial insistence on low-key representation and anger over publicity – resembles the behaviour of the Soviet Union over the recent Israeli-Soviet meeting in Helsinki. Of course the Polish decision to establish links with Israel and its implementation were closely coordinated with the Soviet Union in a foreign-policy effort in which Moscow assigned Poland the role of a scout. As the second-largest Warsaw Pact country after the Soviet Union itself, Poland's moves carry more political weight than those of smaller East European states. Also, political observers in Warsaw think that the Soviet Union is trying to boost the international reputation of the Jaruzelski regime,

which has had a bad press since it crushed the Solidarity union movement in 1981. Jaruzelski also played the scout role when he went on a visit to Peking in September and signed agreements on the improvement of Polish-Chinese relations. On that occasion, Jaruzelski made it clear that he was coordinating his move closely with the Soviet Union. On his way back from China he stopped in Moscow to report to Mikhail Gorbachev.

A Polish official also concedes that the Polish office in Tel Aviv will "naturally" also represent the interests of the whole Warsaw Pact alliance.

ONE MAY ask why it was deemed necessary for Poland to assume its present role *vis-à-vis* Israel. After all, one Warsaw Pact country, Romania, has retained diplomatic relations with Israel since 1967. Even though this was widely interpreted as an expression of a certain independence in Romanian foreign policy, knowledgeable sources assert that Romania was in fact acting in close coordination with the Soviet Union. Moscow was interested at the time in having an observation post in Israel. Today, however, the Kremlin deems an additional link necessary.

The Polish government has found an elegant way to get around the apparent contradiction between its anti-Israeli stance at the international level, on the one hand, and the renewal of relations with the Zionist state, on the other. The reasons for breaking off relations with Israel had nothing to do with bilateral Polish-Israeli affairs, but with Israeli-Arab problems. Polish government spokesman Jerzy Urban stated recently. This corresponds to the official formula under which the representative offices are to deal with "non-political" issue only.

Spokesman Urban also stressed the historical links between Poland and Israel, as Poland used to be the home of millions of Jews, and there are still many Israelis who were born in Poland. Polish sources also point out that some links on the human and cultural level were never totally severed.

A knowledgeable source even plainly states that Polish ruler Władysław Gomułka opposed the severing of diplomatic links with Israel in 1967, but had to yield to a "recommendation" from Moscow. One may wonder how, if true, this can be understood in view of the major role Gomułka played in the anti-Jewish campaign at home. But then many Poles combine anti-Jewish prejudices in general with admiration for Israel, which is clearly seen as fighting an uphill battle for its national existence. This is something with which the Poles, who have fought a century-long

struggle against two mighty neighbours, Germany and Russia, can easily identify.

Poland is no superpower and has no superpower interests in the Middle East. "We are not interested in every single question in that region," says an official in Warsaw. Today, many Poles would like to visit Israel; after all there are more legends than knowledge about the Jewish state on the banks of the Vistula. A Warsaw intellectual asserts that cultural and artistic circles are readying themselves for congresses, meetings, and performances in Israel.

Poland is still suffering from a severe economic crisis and hopes that better relations with world Jewry, in particular in the U.S., may help its efforts to ease the pressure. American Jews are perceived as an influential group, both in shaping the policy of the U.S. administration, which is still distrustful of the Warsaw regime, and in shaping the economic behaviour of the international community.

As for commercial links with Israel, the Polish Foreign Trade Ministry declined to talk about the subject with *The Jerusalem Post*. Unofficial sources spoke, however, of a major deal for exporting coal and other raw materials to Israel. Such exports are vital to boosting Warsaw's foreign currency reserves. Tourism is another obvious realm in which Poland may hope for market demand in Israel.

LIKE ANY other country embarking on the road to increasing links with Israel, Poland had to face Arab pressure. As the Polish-Israeli negotiations went on, Libya, Syria and Iran were, according to reports in Warsaw, particularly active. As for the PLO, it requested explanations, as one Polish expert put it in an apparent understatement.

On the economic level, the importance of economic links with Arab and oil-exporting countries has diminished for Poland, as it has for other countries. Still, Poland tries to encourage its exports to the oil area, not least of which is construction services. The two major Arab buyers of Polish goods, Libya and Iraq, purchase between them some 3 per cent of Poland's exports. Also, intricate questions of reciprocal indebtedness between Poland and some Arab countries await a solution.

As for the threat of Palestinian terrorism, the PLO allegedly is bound by a decision in principle to refrain from terrorist attacks in Eastern Bloc countries. Still at Rosh Hashana services in the Warsaw synagogue two weeks ago, the Polish anti-terrorist unit was present to protect the worshippers, who included two Israeli diplomats, their families and the Israeli workers at the embassy site. But then, wasn't it Lenin who claimed that while trust was good, control was better?

/8309

CSO: 4400/50

ISRAEL

# ISRAELI POLL SHOWS ALIGNMENT PARTY EDGE

TA071128 Tel Aviv HA'ARETZ in Hebrew 7 Nov 86 p 1

[Text] The first election poll conducted after the rotation shows that the Alignment now has close to half of the total vote and, with the addition of the small pro-alignment parties, even passes the halfway mark to take 52.2 percent of the total vote. The Likud has dropped to the lowest level since the elections to the previous Knesset. These are the main findings of the PORI Institute election poll commissioned by HA'ARETZ.

Had the elections to the Knesset been held today, the Alignment would have taken 46.3 percent of the total vote, 9.2 percent more than it received in the 11th Knesset elections (37.1 percent). The Likud would have slumped to 22.5 percent, 9.4 percent less than it received during the 11th Knesset elections (31.9 percent). The small parties, those which are pro-alignment and pro-likud, would have strengthened their positions. The small pro-alignment parties would have been strengthened by 0.8 percent, while the small pro-likud parties would have been strengthened by 3.5 percent. The religious parties would have lost 1.6 percent of their power.

	Poll	11th Knesset	Difference
Alignment	46.3	37.1	plus 9.2
Inclined to Alignment	5.9	5.1	plus 0.8
Likud	22.5	31.9	minus 9.4
Inclined to Likud	8.7	5.2	plus 3.5
Religious	9.8	11.4	minus 1.6
Others	3.8	6.4	minus 2.6

/8918

CSO: 4400/51

ISRAEL

BRIEFS

SOVIET JEWISH EMIGRATION--Some 104 Jews left the USSR last month, the largest number recorded in any single month this year; of these, 23 immigrated to Israel while the rest arrived in Italy and are to proceed to other countries from there. During the first 10 months of 1986 775 Jews left the Soviet Union. [Text] [Jerusalem Domestic Service in Hebrew 1700 GMT 8 Nov 86 TA] /8918

CSO: 4400/51



JORDAN

AMMAN RADIO CARRIES WEST BANK PROGRAM 11 NOV

JN112026 [Editorial Report] Amman Domestic Service in Arabic at 1215 GMT on 11 November carries a new 27-minute episode in the weekly program "The Occupied Homeland; News and Views." This week's episode is entirely devoted to highlights of the 8-10 November Jordanian development conference.

At the beginning of the program, the announcer says participants in the conference have "expressed readiness to finance projects included in the development plan, given it is the first attempt to organize development efforts to bolster the steadfastness of kinfolk in the occupied homeland." This is followed by a 7-minute recorded excerpt from King Husayn's speech inaugurating the conference.

The announcer then says Crown Prince Hasan devoted an important part of his 10 November press conference to talking about the development program for the occupied territories. The radio then carries excerpts from Prince Hasan's press conference. Talking about the plan for the occupied territories, Prince Hasan says: "We believe this plan will not be an alternative to liberation and will not constitute a political initiative. Rather, it is an executive program and an initial attempt to organize and coordinate Jordanian efforts to face a challenge regarding two major factors of development: the factors of land and people."

Prince Hasan adds: "Some 22 million dinars, equivalent to \$65 million, will be spent from the budget in the occupied territories in 1987. This is being planned in coordination and cooperation with the kinfolk in the occupied territory, concentrating on projects of development feasibility and avoiding the suspicion that these funds go to individuals or groups having particular political stands. As I said, there is an explicit call for dialogue in this regard. If anyone wants to refrain from participating in such a constructive dialogue, it is his own affair. If he wants to call this program names, it is his own affair too.

However, I explain once again there is an essential difference between a development policy based on a genuine capacity for absorption which scrutinizes the dimensions of development possibilities in the occupied territories and what is being propagated about it in the hostile press by poisoned pens. The term Marshall was used in this attempt. We are not looking for billions of dinars from the international community. We are not work-

ing amid circumstances where occupation is removed, as the Marshall plan did. We are trying through an objective initiative, under the most difficult circumstances and with various trends of extremism denouncing this policy, to extend human services to the Arab citizen. We are talking about an executive program and what is possible.

If we want to continue such efforts we have to be objective, containing, as much as possible, the desire to distort matters because distortion serves only the continuation of occupation and the turning of the occupied territory into an economic, demographic, and social springboard for the schemes of occupation."

The announcer then says the development program for the occupied territories was the major interest of conference delegates who presented points asserting support for Jordanian development efforts in the occupied territories.

The program concludes by promising to hold a dialogue next week with a number of "official and public functionaries" in the occupied territories who attended the conference.

No further processing planned.

/8918

CSO: 4400/49



LEBANON

MERGERS SEEN NECESSARY FOR AILING BANK SYSTEM

Beirut AL-IQTISAD WA AL-A'MAL in Arabic Oct 86 pp 67-70

[Article by Nadim Mukhaybir: "Lebanese Banks, Concern With Survival"]

[Text] At a time when the banking business worldwide is facing the challenge of modernization and innovation, Arab banking activity is gripped with uncertainty as to whether to join the course followed by world banks toward gaining globalization and making good use of security and the wave of deregulation or to be satisfied with entering into those special fields where there is no global competition, in search of profitable business opportunities. Lebanese banks seem to be in a different world and, indeed, we are almost in another realm of concerns.

The situation the Lebanese economy is now experiencing has cast its shadow, with all its weight, on the Lebanese banking sector whose main obsession right now is survival. The economy has lagged so far behind that it has missed the boat of development which is now beyond its scope of concern.

Repurcussions on Banking Sector

The dark picture of negative economic developments has left its imprint on the banking sector, on its strength, on its solvency, on its debts, on the provisos imposed on it either to support the local currency or to finance the budget deficit, on its margin of profit and, finally, on the possibility of it attaining globalization.

The currency decline has had a direct effect on the capitals of Lebanese banks that witnessed between 1983 and 1986 a drop in their personal assets to less than one-tenth the value of foreign currencies. This direct effect assumed the form of less facilities offered by correspondent banks all over the world, and, in many instances, the cancellation of these facilities. Political and security instability in the Lebanese arena in recent years and the fact that Lebanon is considered a high risk area have contributed to this tendency.

Decline in all fields has deprived Lebanese banks of the benefit of banking legislation, the most important of which is the 1956 law known as the Banking Secrecy Law, in addition to legislation pertaining to joint accounts, insurance of deposits, exemption of savings account interest from income tax,

and the free-banking zone. After being a refuge for Middle Eastern monies that lacked these kinds of guarantees in their own countries, these banks can barely attract a very small part of Lebanese emigrant money. Indeed, they are experiencing a drain of funds by people living abroad. This is facilitated by the unrestricted transfer of money out of the country which is a policy still observed in the Lebanese economic system.

As for debts, their fate is pending for more than one reason. The ability to pay up has been impeded by the constant destruction of economic facilities, causing heavy losses to factories and commercial and tourist establishments. The absence of an effective judicial system in turn has stood in the way of pressuring solvent debtors who hold on to the money they have either for emergencies they might face under constantly deteriorating political and security conditions or to take advantage of such circumstances to evade payment. It appears that legislation enacted at the end of the seventies to deal with this reality constitutes a legal loophole for those wishing to avail themselves of such opportunities, for it provides for medium-term payment period for debts at a debit interest less than one-third of the credit interest banks pay on deposits.

The growing value of doubtful debts is associated with the lack of safe investment opportunities. Banks have refrained from extending facilities for fear of not recovering them due to the above-mentioned reasons. Such caution has affected them in terms of reducing the kinds of services they can perform as a result of lower investment and trade activity. This has reflected on their revenues at a time when their burdens have been growing, either because of a freeze on investment, or due to higher costs of revenues caused by raising the interest rate in support of the local currency or to higher operating costs, both in personnel and equipment due to inflationary pressures.

The monetary policy has reinforced this orientation by the banks through encouragement in the first stage and intimidation in a subsequent one. At first, banks saw in treasury bonds issued by the Ministry of Finance a sound investment that guaranteed a comfortable return that spared them the trouble of collection and the concern over risks. The state found in bank deposits a source of domestic financing for the budget deficit that allowed it to continue to meet its growing burdens. As for the monetary authorities, they believed that the absorption of excess liquidity keeps such liquidity away from individuals and, consequently, stops them from obtaining credit facilities for speculation in the local currency thus contributing to its weakness.

This situation persisted until the public debt reached record levels (53 billion pounds at the end of 1985). This pattern of transfers to foreign currencies increased (foreign currency deposits amounted to 48 percent of the total banking sector deposits at the end of 1985 and almost 60 percent as of the end of the first half of this year). The budget needed 2 billion Lebanese pounds a month which it tried to secure through the banks at a time when new subscriptions did not cover the value of mature bonds. Thereupon, monetary authorities at the beginning of 1986 imposed new regulations on banks requiring them to commit a certain percentage of their Lebanese pounds

deposits to treasury bonds, at a rate of 30 to 75 percent, or face heavy fines. This caused the interbank interest market to rise to unprecedented levels that went beyond 100 percent in some instances. It goes without saying that these measures inflicted on most banks exorbitant expenses and heavy fines that added to their financial difficulties. It was later discovered, in light of statistics compiled by the monetary authorities, that many banks were absolutely unable to abide by these measures.

#### Deposits: Real Decline

How does the situation of deposits in Lebanese banks as of the end of 1985, and especially as of the middle of the current year, look?

A cursory reading of deposit figures from 1982 to the end of June 1986 indicates a hefty increase of almost 300 percent. These deposits jumped from 45 billion to about 190 billion pounds. But a breakdown of these deposits into Lebanese pounds and hard currencies tends to give a better idea of the true nature of this growth in view of the fact that evaluating foreign currency deposits in Lebanese pounds produces unrealistically inflated figures owing to the severe decline in the value of the pound. If we separate the two, we find that pound deposits have grown in 5 years (1982 to 1986) from 32,156 billion to 67,327 billion pounds, noting that the rate of the pound against the dollar during the same period went from 3.81 to 41.75. Considering the fact that the cumulative rate of inflation during these years exceeded 200 percent and the cumulative interest on deposit cannot be lower than 60 percent on the average, it becomes obvious that the positive numerical growth conceals in reality a negative growth in deposits. This is substantiated by a review of foreign currency deposit growth valued in the American dollar. The numerical, or it might be called paper, growth of these deposits registered a tremendous increase, jumping from an average of 13.287 billion in 1982 to over 100 billion Lebanese pounds by mid-1986. However, the value of these numbers in American dollars shows a serious decline in these deposits which have dropped from \$3.487 billion to about \$2.5 billion. If we take into consideration the cumulative average of interest on these foreign deposits, let us say 30 percent which is the average cumulative rate of inflation during that period in industrialized countries, we find that the total sum of deposits has dropped to half in real numbers.

Finally, it underscores the actual drop in deposits accumulated in Lebanese banks, valued in American dollars based on its rate against the pound at the end of each period. While Lebanese pound figures show a 300 percent growth in deposits, an evaluation of total deposits in dollars at the end of each period shows that they have dropped from \$11.926 billion in 1982 to about \$4.7 billion by mid-1986.

#### Credit: Diminishing Rates

The real growth of bank deposits in Lebanon is negative, no matter how it is computed. Credit, however, has not grown either. Whereas this phenomenon has had an adverse effect on the Lebanese economy as a whole, its effect on the Lebanese banking sector remains positive for it has softened the risks surrounding it. It is beneficial in this area to review foreign currency

credit, on the one hand, and Lebanese pound credit on the other hand and compare each one to deposits accumulated in banks in Lebanese pounds, on the one hand, and in foreign currencies, on the other hand.

Credit that amounted to 23.927 billion Lebanese pounds in 1983 grew to 70.628 billion by the end of May 1986.

The first positive phenomenon we notice is that its numerical growth was below that of deposits. While the former grew by 300 percent, the latter grew by 100 percent only.

A separation of credit in foreign currency, valued in American dollars, from credit in Lebanese pounds brings out another positive phenomenon for the former, valued in the dollar, drops from \$1.266 billion in 1983 to \$0.75 billion in 1986.

As for the deposits to credit ratio in foreign currencies, in 1983 it used to be  $1.266 \text{ divided by } 3.067 = 41.2 \text{ percent}$  as compared to the current ratio of  $0.75 \text{ divided by } 2.5 = 30 \text{ percent}$ . This indicates a general improvement in the banks' foreign currency liquidity rate.

The ratio of deposits to credit in Lebanese pounds has improved as well. It changed from  $26972 \text{ divided by } 41129 = 65.5 \text{ percent}$  in 1983 to 61.9 percent in mid-1986 while the general liquidity ratio (the total credit to total deposits valued in Lebanese pounds) changed from  $33.927 \text{ divided by } 57.970 = 58.5 \text{ percent}$  in 1983 to  $70.628 \text{ divided by } 155.144 = 45.5 \text{ percent}$  in mid-1986.

What caused this positive change and what does it mean?

In addition to the benefits of cautious credit practices detailed above, certain technical reasons have led to this tangible improvement in the Lebanese banking liquidity. It is epitomized in the transfer of the major part of debts granted in foreign currency to the Lebanese currency at the urging of the banks and the wishes of the clients, at a rate that accelerated with the rise of the foreign currencies' rate against the pound, and simultaneously in the opposite direction by transferring pound deposits into hard currencies. This was coupled, of course, by the resistance of creditors, not only in Lebanon but abroad as well, to borrow in foreign currencies.

This leads us to a discussion of the size of doubtful debts which has grown owing to the economic decline we mentioned at the beginning of this study.

#### Fate of Accrued Debts

Reliable reserves figures are not yet available for 1985. However, these reserves have grown from 4.568 billion pounds in 1982 and 4.396 billion in 1983 to 5.292 billion as of the end of 1984. Their ratio to the total credit experienced a negative growth during that period from 16.7 percent to 12.9 percent to 12 percent, respectively, as of the end of 1984.



This decrease, however, is countered by several positive factors which are:

1. The oversight committee's requirement of all banks to refrain from distributing profit as of 1985 and to add profits to the reserves. Banks on the whole responded to this requirement.
2. Improvement in the rate of the banking community's general liquidity (drawn from the credit-deposits ration) as shown above, from 58.5 percent in 1983 to 45.5 percent at present.
3. The hidden reserves which comprise, with respect to Lebanese banks, the difference between the book value of their private assets registered by and large at their historical cost in Lebanese pounds and their actual current value, not only in light of cumulative inflation through the years, but also in light of the enormous improvement in the prices of immovable assets determined in Lebanese pounds following the drop in their value (real estate, key money, equipment, etc.).
4. Improvement in the value of guarantees to which a part of the debts are tied. This value has multiplied at a rate higher than the rate of interest accrued on debts.
5. Recent rumors about some banks holding, albeit through circumvention or in violation of observed regulations, important centers for foreign currencies. If this is true, such positions by virtue of the realized and undeclared profits that they entail will represent an additional absorptive capacity with regard to losses incurred by doubtful debts.

#### Deposit Distributions Chart

The above pertains to the banking sector in general. But is this reassuring picture somewhat true of banks on an individual basis?

The deposit distribution chart of commercial banks operating in Lebanon shows that the total deposits of 19 banks with deposits over 3 billion Lebanese pounds each amount to about 135 billion Lebanese pounds and, therefore, hold 67.5 percent of the banking sector's total deposits, while 28 banks with deposits between 1 and 3 billion Lebanese pounds each hold about 24.5 percent of total deposits and 37 banks with deposits under 1 billion pounds each hold the remaining 8 percent (see Table No 2). Other statistics show that 25 banks with deposits over 1 billion pounds each hold 77 percent of deposits and 58 banks with deposits under 1 billion pounds each hold 33 percent of these deposits. The same statistics show that the first group provides 70 percent of credit in Lebanese pounds while the second group provides the rest and that credit provided by 15 out of 25 banks from the first group (or 60 percent of this group) is 60 percent over their pound deposits while 47 out of 58 banks in the second group exceed this rate (81 percent of those banks--see Table No 3). Finally, a computation of the ratio of credit to deposits for the first group shows 61 percent compared to 89 percent for the second group.



But a detailed study of the second group bank reveals that a large number of these banks have a credit-deposit ratio of over 100 percent and up to 200 percent in some cases.

### Merger Is the Solution

We may deduce from this reality that most Lebanese banks (the large ones in particular), taken individually, are not expected to face difficulties even if the deteriorating economic situation should persist for a while, based on the above study. What causes concern, however, is the situation of the relatively few banks that have liquidity problems and have no choice but to depend on the "interbank" market to back their liquidity, taking into account the sharp fluctuations in and cost of liquidity in this market.

It is known that monetary measures adopted now and then greatly affect the availability of liquidity, be they related to the legal reserve or legal subscription in treasury bonds or the interest rate available in the primary and secondary markets of said bonds compared to the "interbank" interest. Those measures also affect the cost of this market when available. Suffice it to point out here that the "interbank" interest has risen over 100 percent at times and dropped down to 6 percent at other times during the current year.

The above illustrates that dependence on the "interbank" market will not be a successful solution in the long run with regard to those banks, especially since their problems may be exacerbated by the continual transfer of accounts from pounds to hard currencies which has an inevitable negative effect on their liquidity in Lebanese pounds as well as that of the market and, consequently, on their ability to fall back on this market.

The solution for these banks can only be through merger so long as the general status of liquidity in Lebanese pounds remains acceptable. It is noteworthy here that a project for merging the banks is under deliberation. This project represents, in principle and without going into an assessment of its particulars, an ideal solution for those banks at this time. In any case, it tends to spare the entire banking sector a banking shock from any crisis they may experience.

Table No 1: Development of Deposits and Credits  
In the Lebanese Banking Sector\* (in millions of Lebanese pounds [LL])

	1982	1983	1984	1985	1986 31 May	1986 30 June
Total Deposits in LL	32152	41129	48386	72631	74362	76327
Total Deposits in foreign currencies	13287	16841	25224	44837	80782	123334

Overall Total Deposits	45439	57970	73610	117468	155144	199661
Total Deposits in foreign currencies assessed in dollars	3487	3067	2837	2465	2493	2954
Overall total deposits assessed in dollars	11926	10559	8280	6457	4788	4782
Rate of \$/LL at end of period	3.81	5.49	8.89	18.19	32.40	41.75
Credits granted in foreign currencies	----	6955	9095	15564	24558	----
Credits granted in LL	----	26972	34689	42542	46070	----
Total credits	27306	33927	43873	58088	70628	----

\*Sources: Col. 1 (1982): Annual Report of the Bank Assoc. of Lebanon; Cols 2,3,4 & 5 (1983, 84,85 and end of May 86): Bank of Lebanon statistics; Final Column (June 1986): appendix to circular No 78/76 issued by the Bank Assoc. of Lebanon.

Table No 2: Distribution of Deposits According to Rank of Banks  
as of 6/30/86 \* (in million LL)

	Deposits (LL)	Deposits (for. cur.)	Total
19 Banks with deposits over 3 billion LL	49.415	85.281	134.696
28 banks with deposits from 1-3 billion LL	20.183	28.469	48.652
37 banks with deposits less than 1 billion LL	6.729	9.584	16.313

Overall total	76.334	123.334	199.661
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Reference: Appendix to Circular 78/76, Bank Assoc. of Lebanon

Table No 3: Position of Banks in LL as of 4/30/86  
(in million LL)

	Bank deposits exceeding 1 billion Lebanese pounds	Bank deposits less than 1 billion LL	Total
No of banks	25	58	83
Deposits (in LL)	54.746	16.194	70.932
Credits (in LL)	33.317	14.422	47.739
Ratio of credits in LL to deposits in LL	61 %	89 %	67 %
No of banks whose credits exceed deposits by 60 %	15	47	62

\* Statistics attributed to Bank of Lebanon

12502  
CSO: 4404/69

SAUDI ARABIA

BUDGET POSTPONEMENT DECISION DISCUSSED

Jeddah AL-TIJARAH in Arabic Apr 86 pp 20-23

[Article: "The Budgetary Postponement Has Precedents in Other Countries, the Most Important Being the United States of America"]

[Text] The whole world has grown accustomed to looking expectantly toward Saudi Arabia through news agencies and other information media at the end of the month of Jumada al-Thaniyah every year in order to listen to the king deliver the annual budget message. This is because the Saudi economy has an impact on and great weight in the international arena. There is no better evidence of this than the fact that the Saudi riyal is a strong currency that is dealt with and respected like the dollar, English pound, or other currency known as hard money. Also, the Saudi market is of international significance in two respects--production and consumption. Many watch closely and anxiously at what takes place there in order to determine from it what they need in the way of commercial and banking transactions or manufacturing companies.

If the Saudi market is as important internationally as we said it is, then the budget is just as important domestically, for the Saudi Arabian state, as everyone knows, is the biggest consumer of goods and services in the country. Its share was about 44.5 percent of all the consumption expenditures in 1984-1985. Moreover, the projects executed had the greatest impact in the way of trade stimulation and the prosperity of many activities like contracts and various businesses, such as building and construction and related industries and services.

Postponement Is Not Unusual

Although the 5-month postponement of the Saudi budget this year came as a surprise to many observers the decision to do so should not be considered unusual or an innovation without precedent or equal. After all, the United States, the greatest and richest country in the world, announced the postponement of its budget a number of times and no one said that this great country has become bankrupt or that its economy is collapsing.

When we say that the postponement came as a surprise to a great many observers, we mean they may have been expecting certain actions other than postponement. They may have been expecting the announcement of a large

deficit or a much smaller budget than last year's, but it is balanced, especially since its direction came from King Fahd ibn 'Abd-al-'Aziz shortly before its scheduled announcement and was accompanied by an indication of the importance of a scientific budget balance as a firm principle that must be followed in all future budgets in the course of their drafting and preparation.

#### Realistic and Pragmatic View of Things

However, what these observers failed to see and take into account, as they should have, is the realism of the kingdom's leaders in weighing and studying things. They inherited this realism from the pragmatism that was characteristic of the unifier and builder of the kingdom, King 'Abd-al-'Aziz, may God let him rest in peace! All the historians agree that he was a realistic and practical man, not a theorist or one of those who dream of building castles in the air, as the English say.

Based on this realistic view of things, those who run this kingdom, with King Fahd ibn 'Abd-al-'Aziz as their head, found no alternative to postponing the announcement of the budget.

Since September 1985 the oil market has been suffering from a big fall in prices and a corresponding decline in the demand for oil. According to the experts, there has been a 50 percent fall in prices since last November compared with a 25 percent decline in the value of the dollar during the same period of time.

#### Many Specific Factors

Many specific factors had their well-known impact. There is no doubt as to what happened in the case of the price drop and demand for oil. There was, for example, the worldwide economic recession, which they claimed was due to the rise in oil prices and the resulting increase in the cost of the goods produced by the industrial world. Also, there was the emergence of new producers independent of OPEC and the stimulation of oil exploration in new regions where the process had become economic and profitable after it was said to be uneconomical and unprofitable. Moreover, the industrial countries introduced new systems in their factories and automobiles for the purpose of rationalizing consumption as part of the policy known as energy consumption, a policy that has led, according to Minister of Planning Hisham Nazir said in a television talk, to our losing forever about 6 percent of the consumption.

The industrial countries also flooded the market with large quantities of the oil that they had been storing as a reserve for hard times and for use in crises.

Another factor was the many shocks within OPEC itself due to the special circumstances prevailing in some of its member countries and the resulting unwillingness to be bound by the organization's decisions on prices and production quotas.



All these factors more or less coincided with and were responsible for the great slide in the price of oil from \$34 to \$14 a barrel.

David Lomax, economic adviser to Westminster Bank, claims that this slide saved Europe about \$30 billion this year compared with \$13.5 billion in both America and Japan, with the expectation that the economy would be stimulated by more than 1 percent over what was expected last December.

All of these factors combined to reduce OPEC's oil production. The kingdom's production decreased from 6.5 million barrels a day in 1982 to an average of about 3.3 million in 1985 while worldwide consumption rose from 53 million barrels in 1982 to more than 56 million in 1985.

In light of the circumstances described above and the steady escalation of the Iraq-Iran war and its danger to the entire Gulf region, it is very difficult to draw up a precise and realistic balance between revenues and expenditures.

This being the case, it was necessary to announce a postponement of the budget for 5 months until the desired stability in prices and in the security situation created by the Gulf war is achieved, in fact until the internal OPEC issues are settled and the expected stimulation of the world economy occurs.

#### Different Industries As a Substitute for Oil

It is true that Saudi Arabia still relies to a great extent on oil revenues to finance its annual budget and that the decision to postpone it was due to this factor more than to any other.

Nevertheless, it must be said that the kingdom, aware of the danger that it poses for the future, as is now becoming evident, began quite a while ago to deal with it and permit the economy to follow its natural course instead of relying on a single strategic commodity, i.e., oil.

A detailed look at what has been accomplished by three development plans (a fourth is still being implemented) reveals this and that what the state spent on the three completed plans totaled about 1.9 trillion riyals distributed as follows: 30 percent for the development of natural resources, 29 percent for the basic facilities, and 49 percent for the development of human resources in the fields of education, health, and social affairs.

This is what the minister of planning disclosed in the above-mentioned television talk.

#### Many Achievements of the Development Plans

In reviewing the achievements of the Saudi development plans we need only point out that the country is linked together by a network of roads built by the most modern methods and that more than 242 billion riyals were spent during the last 10 years on road and communication networks. The road network

was extended to more than 84,000 km, including 40,000 km of rural roads. The capacity of the harbors and airports was boosted--in the case of the former to almost 50 million tons a year. The airports were enlarged to be able to serve more than 24 million travelers a year.

The postal network was expanded to enable it to serve the remotest parts of the country.

The production of electricity has also been increased and the demand for electric power and the generation of electricity have grown. The basic industrial-facility sector saw the implementation of 15 major industrial projects in the regions of Jubayl and Yanbu'.

This is not all. Projects were supported in various branches of industry, agriculture, and real estate. Citizens were given assistance in housing construction to provide suitable dwellings for every individual and every family by providing the loans needed to finance them. The Saudi Arabian Bank was founded to stimulate the agricultural sector. In addition, the Industrial Development Fund was created to encourage and develop the industrial sector, including electric power.

In short, the Saudi government confirmed by the achievements of its development plans that it had fully benefitted from the years of rising oil prices (or upswing, as they call it) as a long-term investment and in order to prepare itself during this period of time for both the post-upswing stage and the stage-oil stage as a whole.

Its leadership role in the field of building and construction has been well demonstrated because its projects could not have been completed without its taking into account the enormous costs and requirements of these projects. The government had to do it in order to broaden the opportunities for the private sector so that it can play the major role in development that it must, for the industries that it created, include the main heavy industries, which will pave the way for what has to be done by light industry through the private sector.

#### Decline in Cost of Living

We do not think we are exaggerating or distorting the truth when we say that the kingdom's accomplishments have enabled us to live now under conditions far better than those of any other people, despite the steady drop in oil prices and despite the fact that oil is still the main source of general revenue. They have also made it unnecessary for the government to impose upon itself and its citizens what many countries have done under similar circumstances, namely, to introduce measures and many restrictions in order to rationalize consumption.

In his recent television talk, Minister of Finance and National Economy Muhammad Abu al-Khayl explained that the present economic stage that the kingdom is going through after the upswing stage is characterized largely by a

drop in the prices of necessities in general, such as housing and food. They are now much lower than they were before.

The figures of the Bureau of Statistics reveal that the cost of living has now declined from its previous level by about 4.5 percent. This means an increase of 4.5 percent in the citizens' income. It also means better prospects for new projects that the citizens will in general carry out themselves.

The minister added that, according to the Bureau of Statistics, imports of commodities and goods in 1985 were valued at about 85 billion riyals, i.e., about 28 percent less than in 1984. This also resulted both in a decline in the exchange rate that spread from inside the country to the outside and in the prosperity of local native industries.

#### Preservation of Citizens' Well-Being

Thus, the decision to postpone the announcement of the new budget had to be accompanied by something that emphasizes the need to preserve the well-being and prosperity enjoyed by the citizens, not merely to reassure them but also to ward off the possible danger of the postponement decision being wrongly interpreted in a way that is harmful to the undoubted reputation of the Saudi economy. Hence, the following statement was issued along with the postponement decision:

1. Continuation in force of the articles concerning salaries, uniforms, and monthly and annual allowances as at present.
2. Continuation in force of the articles concerning local subsidies authorized in all branches of agriculture, industry, electric power, etc.
3. Continuation of the work of lending institutions as at present.
4. Continuation of spending on projects and employment contracts, some 6,435 contracts, on which about 6 billion riyals are spent monthly.
5. Payment of all debts to native or foreign companies or individuals when due.

In light of what we pointed out before, we hardly need to say that a government that has assumed all these obligations is a government in excellent financial condition, even though it announced the postponement of its annual budget for 5 more months. Moreover, it must be among the governments which are most concerned with the well-being of its citizens and do not think of diminishing this well-being under any circumstances, for recently published government statistics show that the Saudi Arabian Government is the second in the world with respect to public expenditures on the individual.

Naturally there must be a question as to where the government will get the money to pay for its announced commitments. The answer is that the Saudi government has the following assured sources:

1. Oil revenues regardless of the amount and regardless of the fluctuation in price and decline in production.
2. Revenue from profits from investments in foreign markets.
3. Foreign currency reserves of at least \$80 billion based on fairly conservative estimates.
4. A reserve of local currencies belonging to such agencies as social security and the retirement fund.
5. Fees from a variety of services, customs, etc.
6. Last but not least, government revenues from the sale of petrochemicals and petroleum derivatives.

Beyond all this, Saudi Arabia does not have foreign debts that are due.

From this analytical review and in keeping with it, we confirm what the minister of finance and the minister of planning said in their television talks, namely, that the Saudi economy is strong and stable and is now proceeding on its natural course.

However, if the economy is to achieve greater vigor in light of its natural course, it must have more participation by the private sector, especially since it now possesses experience and the capability of using the basic facilities that were hitherto unavailable. We do not believe they are available in any country comparable to Saudi Arabia.

Minister of Finance and National Economy Abu al-Khayl pointed this out in a lecture that he gave about a month ago at the University of Petroleum and Mines. He said: "This relatively short period of domination of the country by the public sector is coming to an end as a result of the completion of the projects to provide basic facilities. We shall find our human and financial resources free to broaden the field for the domestic sector and enable the economy to return to what it used to be and to what distinguished it in the past."

#### Minister of Industry Confronts Reality

Minister of Industry 'Abd-al-'Aziz al-Zamil said that the king's instruction to give priority to national products--industrial, agricultural, or domestic services such as Saudi freight and ships, domestic Saudi banks, or Saudi contractors will, if carried out, enlarge the share of the local economic sector. They will not harm or affect the internal situation.

Regarding the rationalization of consumption, the minister of industry said that it is important especially in connection with luxury goods...as much as necessary, maintaining that this approach has a positive effect on the balance of payments. He said that the local banks have more than 60 billion riyals in deposits and that the function of the main bank is to lend money to worthy projects. He emphasized that the trend toward favoring production projects will continue and that the participation of businessmen in recent years was constructive.

#### Minister of Commerce...Credibility

Regarding the king's remarks and the ministerial decision, Dr Sulayman al-Salim said that they are in the interest of the present situation as well as in the interest of the country and its future. They take into account the financial condition of the world, the power supply, and the political situation in the region. It is common knowledge that any decision taken by Saudi Arabia or any other country is analyzed and debated both inside the country and outside and in banking circles throughout the world, including the International Monetary Fund, as well as by companies, particularly those who do business with Saudi Arabia. Openness in making the decision, candor, and explanation provide credibility and reassure all the parties with which it deals both inside the country and abroad.

The minister said we now have very large projects that must be kept and put into operation. We have a large government apparatus that absorbs more than a third of the state budget for wages, furnishings, etc.

He added that now is the time to make appropriate, wise, and resolute decisions since we are still able to do so. Thank God we have no foreign debts and we have reserves. But any wise leadership must make appropriate decisions at the appropriate time and with the candor and openness displayed in the king's address.

#### Reactions

Regarding the reactions noted by the Ministry of Commerce, the minister said they were positive on the part of alert businessmen eager to safeguard the country welfare and their own. They realize that their well-being and success are closely tied to the economic and fiscal policies followed by their government. They were relieved by the candor and openness with which it made the decision. It was what they expected.

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SYRIA

PRESS ON U.S. 'PRESSURE', 'DOUBLE RETALIATION'

JN090901 Damascus Domestic Service in Arabic 0530 GMT 9 Nov 86

[Press review]

[Excerpt] Under the headline "The Losing Wager" [AL-BA'TH] says the U.S. administration is continuing to exert various pressures on western European countries in an attempt to convince them to adopt stands against Syria during the forthcoming London meeting, other than the stands they adopted during the Luxembourg meeting at the end of last month which did not please the Reagan administration. World media talked a great deal about the U.S. administration's pressures on its Western allies to adopt a hostile stand against Syria. We do not see any benefit to be gained by the European countries to submit to the U.S.-Zionist-British pressure because submission to such pressures would mean becoming involved in acts that would not be in their interest as countries or nations.

The paper adds: The U.S. administration was not satisfied by intensifying its pressure on the western European countries. According to various sources of information, the U.S. administration has gone as far as seriously contemplating prompting Israel to embark on a military operation against Syria. These sources of information did not rule out the idea that Washington and London may play a certain role in an aggressive act by Israel. Some international newspapers clearly noted some arrangements that Washington and London are preparing with Israel similar to Washington's action against Libya.

On the same topic, TISHRIN says in its editorial: Syria clearly knows that the United States is a superpower with massive military capabilities, is always eager to commit aggression against nations and their national liberties and terrifying these nations, and is also capable of militarily hurting Syria. However, Syria also knows that the United States does not excel in estimating the strength of nations and on numerous occasions miscalculates in dealing with them. It has made many mistakes. Syria also affirms that it will excel in defending itself, regardless of the clamor of fleets in the Mediterranean around Syria and regardless of the flexing of military muscles in the Syrian skies in an attempt to blackmail Syria. Syria will not submit to blackmail. Syria as President al-Asad has said, will not yield or bargain. Syria is defending the most just cause and in its defense of this cause history will not see a better country in terms of manliness and sacrifices. Syria knows how to protect its people and cause. We affirm to them that their wager is a loser and we will bring double retaliation on anyone who lets himself be induced to harm Syria. Syria will always remain the most difficult obstacle to overcome and will always play the central pan-Arab and regional role.

SYRIA

DIRECTOR OF PEOPLE'S CREDIT BANK INTERVIEWED

Beirut AL-IQTISAD WA AL-A'AMAL in Arabic Oct 86 pp 90-91

[Article: "People's Credit Bank in Syria: Deposits Total 3.9 Billion and Loans Exceed 1 Billion"]

[Text] The People's Credit Bank in Syria is a new Arab banking experiment that has fulfilled its goal of providing professionals, tradesmen, and people on a fixed income with credit in a manner that helps them avoid dealing with usurers. Moreover, the bank has been able to attract deposits in a big way and has therefore contributed investments to the Syrian economy.

This is an interview with Mr Misham 'Awwad, managing director of the bank

[Question] What is the nature of the bank's operations?

[Answer] It is well known that the People's Credit Bank plays an important role in all areas of banking, whether to people on a fixed income who request small loans, to buyers of certificates of investment whose numbers are ever increasing, or to professionals or craftsmen in industry, culture, social work, tourism, and hospitals. This area of banking is very important and popular with an increasing number of customers.

The bank was established in 1967 to help finance and develop cottage industries, traditional trades, small merchants and tradespeople, and cooperatives. One of its objectives was to introduce this large segment of the citizenry to banking and release them from the control of usurers and large monopolists who exploited them in return for guaranteeing them raw materials. The bank is also different because it has financed the social and health needs of fixed income people.

The bank's role has continually expanded in our country's climate of social and economic development and now extends to financing tourist and other projects that are not handled by other specialized banks.

[Question] How did the bank do in 1985?

[Answer] The People's Credit Bank made considerable progress in 1985 and implemented the recommendations of its first conference held in May of that year.

Regulations were adjusted and ceilings were raised. The most modern equipment (17 minicomputers) were imported for use by its branches throughout the country. It also installed at headquarters a computer that can handle all the bank's transactions. It has also accomplished the objectives of its other annual plans. It earned profits of 52.31 million Syrian liras in 1985, which is 22 million liras more than in 1984, and in 1983 also.

Certificates of investment totaled 3.5 billion liras in 1985, a 29 percent increase over the previous year. The plan for certificates of investment was 123 percent successful. The number of certificate holders rose from 142,000 to 159,000.

Deposits rose 27 percent to 3.9 billion liras. The plan to attract these deposits was 113 percent successful. The number of depositors rose from 54,000 to 63,000.

The bank's operations were restructured and ceilings on loans and fulfillment were raised in 1985. With 1.05 billion liras being put to work, the credit plan had a success rate of 101 percent. The restructuring is expected to bear fruit in 1986 because it was implemented in late 1985. The number of borrowers rose from 124,000 to 153,000.

In response to the social needs of people on a fixed income, the credit plan for 1986 provided for an increase from 433 billion to 600 billion liras.

Seventeen minicomputers were acquired to improve banking services. They were issued at the beginning of 1986 to large branches that finance people on a fixed income. This speeded up the loans and put an end to red tape, which used to embarrass the bank and its officers. We also bought a main-frame in order to automate certificates of investment and general administration.

As to the investment plan, branches were opened last year in Hamah and Aleppo. The investment plan was therefore 61 percent implemented. We expect more branches to open this year in Tartus and al-Suwayda'. The bank bought late last year a floor in a commercial complex in Dara: The public sector has committed to build branches in Damascus, al-Mazzah, (al-Suqaylibiyah), (Mahradah), Safita, and Dumah. The Sixth 5-year Plan calls for the opening of 15 new branches.

[Question] Any other plans to develop and expand?

[Answer] We in the general administration of the People's Credit Bank are constantly seeking sound transactions in order to win the confidence of the citizen, who is our primary objective. With this in mind, we search for unbureaucratic, accurate, and scientific endeavors to help us accomplish our populist and patriotic function.

We will raise the quality of workers in bank headquarters and branches by supplying training. We will qualify the workers to bypass all obstacles that might obstruct their daily work and at the same time we will study

the introduction of electronic accounting in order to facilitate the work and save time for us and for our customers.

We emphasize the importance of technical and human development, which we will affect through training seminars on streamlining and expediting banking operations and, consequently, facilitating office automation through which we hope to make fast strides.

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SYRIA

SHORTAGES BESET DAR'A HEALTH CENTERS

Damascus TISHRIN in Arabic 30 Sep 86 p 5

[Article by Husayn Qasim: "Forty-seven Health Centers in the Province Face Some Difficulties and Drug Shortages"]

[Text] What impelled me to write this article was that one of the citizens consulted an anti-tuberculosis center with a relative in order to obtain a physician's notice several times each day. Each time a cut in the electricity prevented the center from obtaining the notice. If we believe that the electricity cut from the anti-tuberculosis center takes place as part of the plan to legislate the consumption of electricity in all the sections of the country, we must point out the importance of the health centers and the necessity to furnish them with electricity in order to preserve their medicines, which require a high degree of humidity or the maintenance of a certain temperature. We will shed light on the reality of the health centers in Dar'a Province, where there are 41 centers, of which 34 are general health centers and 7 are specialized centers. In the general health centers there are 17 dental clinics, in addition to 10 pediatric and maternity sections. The number of visitors to these centers during 1984 was 166,027 citizens to the therapeutic section and 23,428 citizens to the dental clinics.

The number of health centers in the beginning of the Fifth 5-year Plan was only 21 general centers, in addition to 2 specialized clinics. Their numbers grew on a par with the weakness because of the geographic vastness of the region and its large population. But this increase in the number of health centers requires that the 17 leased centers be eliminated, because the leased centers do not substitute to the desired extent because of the lack of health conditions provided in these centers. Working in the centers are 21 general physicians, 19 dentists, 104 constituents from the technical assistance agency, and 54 constituents from the service elements.

Although this number is not enough to offer the necessary services, we see that the distribution of technical and service manpower is not equitable and is not harmonious with the need of the health centers. In 3 health centers (Azra', al-Shaykh Miskin, and Khabab) we find 6 physicians and 2 dentists, 9 technical elements, 9 nurses and midwives, and 11 service and administrative constituents, and in 3 other centers (Um Walad, al-Kirk al-Sharqi, and al-Masmiyah) we find only 1 physician, 1 associate physician, 1 midwife, and 5 service personnel. This distribution harms the general health situation,



wastes human energy, and diminishes the level of benefit. In general the number of medical and service personnel in the health centers is very small. And in the specialized health centers there is not one that specializes in therapeutic work except a women's element. There is little compared to the works of examination, treatment, childbirth, and maternity and pediatric care. Then in addition, a great number of service personnel in the centers cannot read and write well. Three physicians supervise the work in eight centers. These physicians cannot stay in the centers forever. As is known, the sick cannot wait until the physicians come to the centers. Subsequently this causes a deficiency in the hoped-for benefit from these centers. As for the employee in the center, there is no benefit from his being there if the physician is absent. Likewise the small number of physicians in the centers results in disruption and wasted time in traveling between the centers, keeping in mind that most of the physicians of the centers do not arrive until after 10 a.m. and they leave before 1 p.m. This matter contrasts negatively to the health situation in the country and the city. If the physicians were required to work the official hours, we might see the general health situation change for the better. The rations of the health centers for medicine (if there is no objection) are very small. It is expected that the amount of medicine has not increased in 6 years, when there were only 21 health centers. Most of the drugs that are distributed from the health centers are confined to some types of pills and capsules to reduce the temperature and to cough syrup if there is any. There is very little contact between the administration and the health centers because of the lack of a special vehicle for the centers. There is no special vehicle for any health center except for a single car that is set aside for the health center in Jasim, Ankhal, and al-Harah. The lack of an increase in the number of vehicles delays emergency operations and the transport of employees to carry out their duties.

#### Specialized Health Centers

Part of the health directorate in Dar'a Province consists of eight specialized health centers. Of these, six centers are for pediatric and maternity care, an anti-tuberculosis center, and an anti-malaria center. There are six centers in the province for pediatric and maternity care. A physician works in each one specializing in children's and infants' diseases. One of these centers is called the Training Center for Pediatric and Maternity Care. A specialized physician and two general physicians work in it. There is no dentists there. Despite the fact that this center has the description of training in its name, it has not carried out any training activities. This situation does not contribute to the realization of the reason for its presence, that of graduating training courses at all health levels according to instructions of the Health Ministry in that regard. The reasons for that are the lack of technical training constituents, and because of the unsuitability of the building, that is considered to be equipped as a general model center, not as a training center. The center must be equipped with what is necessary to make it a training center. The most important of what would insure this is the furnishing of three physicians specializing in pediatrics, maternity, and childbirth, in addition to a physician specializing in dental diseases, and a technical support team of midwives and nurses drawn strictly from the women's elements. The training center must be supplied with a number

of service constituents, vehicles, a complete dental clinic, a lecture hall, a storehouse for food supplies, and an administrative agency capable of carrying out the administrative affairs of the center. As for the other care centers, they must be replaced with model health centers so that they will belong to the state, rather than leased. A complete dental branch must be built in every one.

#### Anti-tuberculosis Center

The center has an important role it carries out in fighting tuberculosis and in preventing it and the infection that could spread it. Therefore this center must be supplied with a prevention physician, a therapeutic physician, a number of technical assistants and nurses, and a technical laboratory equipped with all that is necessary. Its present situation is very bad. There is only one physician in the center specializing in internal medicine from the physicians of the Dar'a National Hospital. This physician carries out intermittent visits at sporadic times. He visits the center not more than two times a week. Present in the center are a nurse, a health supervisor, and an x-ray technical assistant. There is no technical assistant for laboratory analysis in the center. There is no follow-up for those patients who are confirmed as being afflicted with tuberculosis (pulmonary and secondary tuberculosis). This means that their illness becomes uncontrollable and that the infection spreads in a more serious and larger form. There is no x-ray equipment. This is not adequate to carry out the center's required health services. It is in urgent need of a large x-ray machine so that it need not send patients to the national hospital. During the 5-year plan only 270 patients consulted the center. It is possible to increase the services of this necessary center, the only one of its kind in the province.

#### Anti-malaria Center

The anti-malaria center is considered one of the most important preventive centers since it offers services to eradicate the widespread disease of malaria. At the anti-malaria center in Dar'a, the picture differs completely, because there are no specialized preventive physicians in it, and it does not have an adequate amount of technical assistance, keeping in mind that the center's building is not state-owned. It has three rooms, is very crowded, and does not allow for the work required of the center. In particular the center is in dire need of a special laboratory for examining the slides sent from the field elements in their sectors. The number of slides taken as specimens for testing in the center during the first half of last year was 8,963 slides. In spite of all that was mentioned regarding the lack of capabilities in the center, it combated malaria in the province and the number of cases declined as a result of that from 122 in 1980 to only 1 in 1985.

#### Border Center

Countries display great concern about the health situation on their borders with other countries by monitoring travelers to and from the country, especially concerning the transfer of contagious diseases. To this end a

preventive health center was established on the Jordanian-Syrian border. It is locked now, and its walls may collapse due to neglect in spite of the need for it. This health center must be opened and a physician and two technical assistance personnel must be placed there. The center must be supplied with the necessities of the quarantine station so it could be used when necessary and be made a useful place in order to carry out the desired aim.

#### Conclusion

During the first half of this year five general health centers were built. This means continuing to supply the villages and towns with health centers to raise the level of health care and to eradicate the various diseases. Will we benefit from the increase in the number of health centers without attention being paid to increasing the requirements of these centers for physicians, nurses, technical assistants, and administrators? Will we leave these centers to distribute similar drugs for different diseases and help to confirm the prevailing idea among some citizens that the centers distribute one type of pill for a number of illnesses?

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SYRIA

## CATTLE, MILK PRODUCTION IN DAYR AL-ZAWR DISCUSSED

Damascus TISHRIN in Arabic 30 Sep 86 p 5

[Article by Khalil Aqtini: "Dayr al-Zawr Ranch Produces 5.5 Tons of Raw Milk"]

[Text] Noone can argue that the importance of animal wealth in all the countries in the world, especially in the countries that depend on agriculture to build their economies, is not less than the importance of agriculture itself. On that basis, our country has given this wealth the importance it deserves in terms of care and attention through many steps the country has taken with the goal of protecting the animal wealth and increasing its numbers, with the selection of good species and breeds that have a high production yield. Among the most important of these steps was demarcation of the desert sanctuary, taking responsible steps to prevent its cultivation and encroachment on its lands, and giving facilitation to the breeders to invest in it be raising livestock. Furthermore, cattle stations have been set up in the country as a principal step in maximizing the benefit of animal wealth in our country, especially as it relates to the production of milk and meats that are considered man's basic food. In addition, these stations are considered the second tributary to agricultural production from the economic standpoint.

Among these stations, a livestock station was created in the Dayr al-Zawr province in 1974 in accordance with legislative ordinance number 314. This station is considered one of the important economic establishments in our country.

Information available to us confirms that this ranch has played a positive role since its creation in increasing the interest of the breeders in the province, by creating honest competition between them as the private sector and the station as a public agency, to increase production and improve quality in order to win the confidence of the consumer.

Likewise the ranch has participated in introducing several highly-productive foreign animal stocks to the region, and in improving the breeder's local low-producing stocks, by breeding heifers and studs that contribute to transferring hereditary factors that will result in the breeding of excellent stocks.

In addition, the ranch carries out other functions with which we will become familiar during this article.

## General Information

The director of the Dayr al-Zawr ranch, Eng 'Abd-al-Jabbar Hamash, discussed the ranch, saying:

"The total area of the ranch is approximately 300 dunums. It comprises 6 compounds for the production of raw milk, in addition to the rest of the installations that comprise pastures, shelters, storehouses, cowsheds, the administration building, and housing for workers.

There are 87 workers on the farm, males and females, administrators and seasonal workers. The ranch is subject to legislative ordinances 18 and 195 for 1974 which regulate production, marketing, and the like. The ranch owns a farm whose area is 3650 dunums and is planted with various fodder crops to provide the cattle with green fodder such as oats, alfalfa, clover, and barley. However at the present time a small area of approximately 600 dunums is being used because of the scarcity of irrigation water. The concerned authorities at the ranch are waiting for the completion of the land reclamation operations of the lower Euphrates basin which are being carried out in the region, and the laying out of irrigation pipelines for the full utilization of the entire area.

The ranch includes four principal sections:

- The animal production section.
- The animal health section.
- The agricultural engineering and plant production section.
- The administration and finance section.

## Duties of the Sections

What are the duties that each of the ranch's four sections undertakes?

The director of the dairy said, "The animal production section oversees essentially the feeding of the herd according to specific scientific standards in addition to other production operations such as meat production and the production and distribution of organic fertilizer produced by the cattle. This section also keeps records on the herd to monitor its growth activities and to improve the hereditary stocks."

The animal health section oversees the health of the herd and carries out periodic immunizations and vaccinations of the entire herd to protect it from the animal diseases present in the region. Likewise it carries out artificial insemination of cows.

The plant production section has responsibility for the production of green fodders from the ranch's farmland and to meet the herd's need for green fodder. The agricultural engineering section ensures the adequate servicing



of agricultural machinery on the farm in terms of maintenance, repair, and procurement of spare parts, so that all the machinery is in a complete state of readiness during the season, especially the machines that are used in the production of green fodder.

Remaining are the operations of buying and selling dairy products, and administrative affairs which are overseen by the administrative and finance section. This section employs specialists such as agricultural engineers and monitoring veterinarians.

#### Procedures to Protect the Herd

[Question] The preservation and protection of the herd is a very important issue in insuring a high production yield with excellent quality. What steps is the station taking in this regard?

[Answer] The essential and important point in raising cattle and protecting its health in order to increase its output lies in the implementation of several scientific and technical procedures. Among the most important of these are:

- Insuring the necessary immunizations to protect the herd against current diseases such as cattle plague, brucellosis, and other animal diseases that can infect the herd, lead to its destruction, and consequently result in the destruction of a large and important part of the animal wealth.

- Insuring the necessary green fodder for the herd which would contribute to an increase in milk production and the fattening of cows.

- Maintaining the general sanitation of the ranch through continuous disinfection in order to destroy any bacteria that could grow in certain parts of the station's facilities and that could become a factor in the spread of epidemics and fatal diseases.

- Monitoring all aspects of the herd, especially those related to growth, yields, hereditary factors, the improvement of reproduction, and natural and artificial immunization.

These procedures are implemented and known worldwide, at all the cattle stations, especially the advanced stations. They are carried out on our ranch with precision according to clear scientific standards and measures.

#### Production and Marketing

[Question] What is the production capacity of the farm, and how are its various products marketed?

[Answer] The ranch's herd of 1004 heads comprises 450 cows. The rest are various classes of calves, breeding bulls, and heifers. The daily production of raw milk is approximately 5.5 tons from the producing cows who number 370 dairy cows. This is based on the fact that during a single season of 305 days one cow produces 4,500 kilograms of milk.

Milk production at the ranch as of last August reached 1,259.433 tons. However the objective was 1,365 tons, so the implementation rate was roughly 92.26 percent.

With regard to marketing the product, the ranch used to market milk through centers throughout the city. The milk is now being marketed by the Public Company for Vegetables and Fruits which distributes these commodities to its outlets in the governorate and sells them to the consumer according to set prices. This is the first time that raw milk is being marketed through public sector companies in the country, since as we said the marketing had been done by the station itself. This method was creating many problems and difficulties because milk was not selling during the summer season due to high temperatures. Citizens prefer not to use milk in times of heat, because of its high content of fat and calories. They prefer other foods. This leads to an accumulation of the daily production at the ranch, and creates confusion in the work place.

To solve this problem steps were taken last summer to use the milk to process cheese or yoghurt, which increased the ranch's expenses because this operation requires a specialized cadre, technical equipment, and other necessities and because milk is a commodity that spoils quickly, cannot be preserved for a long time, and must be processed as soon as possible.

Furthermore, even though the dairy factories in the country were retained, the transport of the product to these factories was prevented because it results in an increase in the proportion of the acidity in the milk due to the disturbance during transport. This sometimes leads to a rejection of the ranch's production and the return of the milk to its source.

Now, however, the problem is completely solved.

The meat product is marketed to the Meat Company in Damascus through a branch of the Consumer Association in Dayr al-Zawr. The natural fertilizer is sold to the Agricultural and Land Reclamation Administration in the province, in order to make use of it in the process of improving the fertility of the land designated for producing seedlings.

The farm delivers its production of heifers to the rest of the ranches in the country.

#### Plans to Develop the Ranch

[Question] Are there any plans to develop the ranch?

[Answer] Considering that the ranch is an old installation to a certain extent, a plan was drawn up in 1982 to develop it technically and improve production. This was part of the investment plan for the farm. The plan called for implementation of the following projects:

-- Changing from the old milking system of using tanks to the modern [harshafi] system that would result in milking a larger number of cows, would eliminate a portion of the work force, in addition to insuring the quality of the milk produced and its purity.

-- Constructing an irrigation pipeline with a modern irrigation network at a cost of 30 million pounds to insure irrigation of the farm's land designated for the production of green fodder. It is expected that this project will be completed within the next year. The project is in conjunction with the land reclamation operations that are taking place in the region. When this project is completed and is put in operation the problem of fodders on the farm will be solved since inexpensive green fodders will be used instead of expensive concentrated fodders. This will result in a great savings for the installation by decreasing the cost of producing each kilogram of milk.

-- Building a purification plant for drinking water at a cost of 2 million pounds.

#### Worker Benefits and Price Fixing

[Question] Are there any specific proposals to improve the work and production conditions in the ranch?

[Answer] Yes. Among the proposals that we have is giving benefits to the workers on the ranch after the country's basic workers' law is passed, because the workers on the dairy farm experience austere work conditions while caring for the animals. In addition, there are diseases shared between the animals and human beings that our workers are exposed to, such as sterility.

Likewise we propose that the price of fodder be fixed because the continued increase of prices creates a burden on the ranch resulting in a production cost increase.

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4 December 1986

UNITED ARAB EMIRATES

SHAYKH ZAYID BIN SULTAN AL NUHAYYAN INTERVIEWED

London AL-HAWADITH in Arabic 10 Oct 86 pp 29-30

[Article: "Israel Is Not a State But a Means and a Tool Used by Those Who Provide for Her"]

[Text] It is not easy for a journalist to get an answer from Shaykh Zayid bin Sultan if he opts not to give an answer. For this roving ruler, who loves traveling and is infatuated by the desert, is not given to turning down a question from a journalist. But at the same time he does not want to be trapped by what he says. Hence, his tendency to use bedouin parables to avoid embarrassment. Yet when he wants to get something across in a clear, unequivocal manner, he uses words as sharp as the edge of a sword.

Following an interview about oil prices I said to Shaykh Zayid:

[Question] You say that your decision to raise oil prices to the acceptable minimum stems from your genuine concern to avoid anything that would undermine the economy of the Western world. What about the Arab world economy? Are you more concerned about the welfare of the world democracies than the welfare of the confrontation states?

[Answer] Who said we're more concerned about the economy of the Western world than the economy of the Arab world?

[Question] The confrontation states say so. This is evidenced by the fact that you have not as yet allocated the 10 percent of the Arab oil revenues for which the voices of those states shouted themselves hoarse as they demanded it--to no avail.

[Answer] Did any of the brotherly states raise this issue and we took a non-supportive stance? If you searched, probed, and calculated, you would find that the Gulf states, in particular, were in the forefront of Arab states which backed and financially supported brotherly states with a higher percentage aid than what you are talking about, especially the aid they dished out to the confrontation states.

[Question] All your life you have been a man of initiative. In the October war you were the first to cut off the flow of oil. Why don't you take the initiative now?

[Answer] And who told you that I did not consult with my brethren and secure their consent before taking that initiative? Such decisions cannot be made in isolation.

[Question] This is the first time I heard that there were previous consultations. But that does not preclude urgently needed initiatives.

[Answer] In fact, at no time have we failed to respond to a brotherly call. We're always there when a brother needs his brother. We're there to support and help financially in time of need. But when a brother can do without his brother, then each is on his own. In times of need, we vie with each other to help and support in all fields.

[Question] Financial support is not only for wartime. The need for it in peacetime is no less urgent. Take Israel, for example. The United States provides her with at least \$3 billion in aid in peacetime over and above the unlimited aid she gets from the United States in wartime.

[Answer] Israel is not a state. Even those who recognize her do not see her as a state. Rather, she is a means and a tool used by those who provide for her.

[Question] But this does not mean that Israel does not exist or that it does not pose a threat. The need to confront her exists...

[Answer] We are around and we have never or will never let our brothers down. And we do not want others to see this as a donation.

At this point, Dr al-'Utaybi, the minister of petroleum, listed the sums of money given by the Emirates as aid, adding that they were much more than 10 percent of the country's oil revenues. In fact, he said, they exceeded 20 percent of total oil revenues.

[Question] I said: Well, the percentage may be higher or lower, but that is not the issue. What really matters is that there should be a fixed percentage allocated for the confrontation states.

[Answer] In response, Shaykh Zayid said: Let the brothers determine and agree upon a percentage, and you will find us among the first to comply and deliver.

Once again, the discourse recurred to the figures showing that the State of Emirates pays double the percentage required of her. It was then necessary to shift to another topic. So I said to Shaykh Zayid:

[Question] You have carved for yourself a role in the region, that of a unifier. Unity is not a slogan we chant, but a means of change for the better. You refused to go for another term as head of state because of hurdles obstructing the progress of unity, to which you referred in your



letter to the emirs. You then changed your mind and accepted another term. What happened to make you change your mind?

[Answer] I did not mention the hurdles and stumbling blocks so much as a complaint as an attempt to share the quintessence of my experience now that my term as the emir was about to expire. I turned over control with which I was entrusted for 5 years to my brothers in the Supreme Council. I tried very hard to give over that entrusted control, stressing to my brothers that I would abide by all commitments made concerning the budget, support, and financial aid. Regardless of who will succeed me as emir, the commitments I have made during my tenure will remain unchanged. My commitments will remain as long as the federation exists. What really matters is that the federation survives. But the brothers insisted that my term be extended for another 5 years and they were adamant. So I could not find any pretext to step down for that would be totally unacceptable since the brothers wanted me to continue for another term.

[Question] Mr president, the union or federation does not recognize any boundaries dividing the merger states. For what good is the union or federation if the federal state cannot resolve its border disputes as in the case of Dubayy and al-Shariqah, especially since the areas in dispute are only a few kilometers wide, with gold, oil, or even water oases.

[Answer] The Creator is the only one who can say to a thing "be" and it will "be." As for man he must plan and lay one brick upon another. We often find that construction on a high rise gets started in 1 year, then a year later the building is still unfinished. What would you say of emirates, tribes, and groups. There must be patient and calculated planning, acceptance, and conviction from all parties. For we cannot take one step without a consensus. Unity is achieved through agreement. No usurpation or force, or else the bond tying the group together will snap. I was earnestly seeking to unite the tribes through argument and conviction. For there must be some patience, and patience is courage. If progress is made for the better from 1 year to another, it must give us courage to be patient.

[Question] It is observed, Your Highness, that you perceive things more like a philosopher than a statesman. Is this because you travel much? They call you the traveling ruler, for you spend more time outside the Emirates than inside. Does all this traveling have any impact on your philosophical view of things.

[Answer] I do not like to travel outside the Emirates. But I am obliged to do so in response to invitations which force things on me not always to my liking.

[Question] Let's get back to our topic. In the Gulf region there are three megaforces--Saudi Arabia, Iraq, and Iran. Where do the Emirates equate in relation to these forces? How do you operate through these forces in the region, which are not in agreement on many issues?

[Answer] We are in accord with those forces over issues upon which they are in agreement. How do the Emirates benefit if it is going to cause damage to any Gulf country? We are bound to pay a price for any damage to our relations. We have an old saying: If your neighbor is stuck, you are stuck, and if your neighbor is happy, you are happy.

[Question] In one of your recent statements, you called for a regional security charter for the Gulf nations, despite the fact that a few months earlier the Musqat conference failed to secure a consensus for such a charter. Now Iran calls for bilateral relations until agreement on a multilateral format is reached. Do you still insist on a multilateral charter which is not feasible or do you accept Iran's proposal which is feasible?

[Answer] Who said that creating a collective security charter is unfeasible?

[Question] Iraq rejected the idea at the Musqat conference.

[Answer] So long as there is rejection from someone, any other arrangement will only widen the rift among nations, and this is the worst thing that can happen to the nations of the region. Our nation was formed only a few years ago. Ours is the smallest nation in the region. Therefore, it is not permissible for us to call for something on which there is no consensus. But if disagreement continues, our duty is to keep our mouths shut and try to reconcile conflicting viewpoints. Let us allow the water to boil, the orange tree to blossom, and the wheat stalks to ripen under the rays of the sun.

[Question] This is something that calls for Job's patience.

[Answer] If we call for maturity, we will need a great deal of patience.

[Question] Did I not say, sir, that you are a philosopher?

[Answer] May God forgive me. I am but an advocate for respecting the laws of the universe.

[Question] Is it in accordance with the laws of the universe that the budget of the Emirates should quadruple in 1 year? From 1976 to 1977 the budget skyrocketed from 4,200 million dirhams to 14,500 million dirhams, while the number of employees increased from 21,000 to 31,000. Do the Emirates have the capacity to absorb such a mammoth increase?

[Answer] Ambition is one of the most salient characteristics of progress, provided there is an equilibrium between ambition and capability. What really count are the results. If by the end of the year we found that ambition translated into tangible achievements and the arid land bloomed with houses, road schools, and hospitals, would we have trespassed the laws of the universe? Going by leaps and bounds is required, my son, provided you are able to do it. There is a vast difference between discretion in progress and development and rashness and poor judgment.

[Question] Sir, I am afraid ambition may turn into opportunism. At the beginning it was permissible to expend enormous amounts of money for the construction of roads, airports, seaports, schools, and hospitals. Now that the initial phase is over, do you not think that the next phase requires that the vast, complex administrative apparatus be purged of the bribery, corruption, and red tape that riddle it?

[Answer] Fear is an enemy of progress. We should always realize that a system is made up of men and men make mistakes, but he who makes mistakes while making an effort is justified. But he who makes mistakes purposefully must be penalized. In all cases, the time wasted while making progress will cost us far more than the mistakes we fear.

[Question] Once again you confirm that you perceive more like a philosopher than a statesman. Do you think you rule a country of angels?

[Answer] Once again I tell you that I am a pragmatic man and very realistic. But I do not like to rush when rushing can be detrimental. Nor do I like to slow down when slowness means lagging behind.

[Question] If you are so realistic, could you give us the facts about the border disputes between you and Saudi Arabia and Oman? In Oman they say that you gave up to Saudi Arabia some Omani land that is not yours. How are you going to compensate Oman for that?

[Answer] Saudi Arabia, Oman, and the Emirates are one family, whose members live under one roof. That is my understanding.

[Question] That is your conception?

[Answer] I say that is my understanding. Conception is one thing and understanding is something else. You wrote an article in the weekly AL-HAWADITH about border disputes and you perceived what you perceived. That is past now and bygones are bygones; the present is different. When water is poured into the sand, it will not be possible to retrieve what has been spilled, for it has mixed with other elements and is gone. Would you not call that faith in and interaction with reality?

It was already past 1 pm when I emerged from the palace of Shaykh Zayid bin Sultan in Abu Dhabi. The city or capital, which until 10 years ago was just a stretch of sand, was now boasting excellent roads, squares, and luxury buildings. It was flooded with lights that reminded me of parts of Beirut's bygone days. I found myself asking again: Is the chief of state of the Emirates a statesman or a philosopher whose views are tinted with bedouin parables, behind which he hides when he does not want to be trapped by what he says, but which he uses skillfully when he wants to be as decisive as the edge of a sword.

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CSO: 4404/50

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

EXPANSION OF UNION ACTIVITIES IN HADRAMAWT

Aden SAWT AL-'UMMAL IN Arabic 2 Oct 86 p 4

[Article: "Noticeable Progress in Union Activities in Hadramawt Province"]

[Text] Union activities in Hadramawt province have greatly improved and progressed during the period extending from 1983 to 1985 and up to the first half of this year, 1986.

A report that has evaluated the activities of the labor council in Hadramawt province during the same period indicated that the number of union committees increased this year (1986) to 222 committees, or an increase of 29 union committees over 1983. The number of union members in the province reached (16,195) male and female workers. The rate of [text unclear] voluntary participation reached 80 percent.

The report mentioned the economic achievements and indicated that production competitions constituted the backbone of economic activity. The number of competing entities rose from 5 in 1980 to 20 in 1986. In 1985, the participating entities have a gross product worth 33,510,335 dinars and a 15,872,733 dinar surplus over budget; in 1983, the gross product was worth 6,621,883 dinars and the surplus was 975,735 dinars. In 1985, 3,195 workers (467 less than planned) participated in the competition, while in 1983 1,520 workers participated--520 workers less than planned.

With regards to initiatives and voluntary work, the evaluation report indicates that the labor council secretariat in Hadramawt province has restricted this year's (Feb-Dec 86) economic plan to developing the capital city of Aden and to removing the traces of the bloody conspiracy of Jan 13. A number of voluntary initiatives concentrated on several projects, excavation works, forestation, school maintenance, transportation of goods, and warehouse clearance. The report mentioned that in the 1983-1985 period, the number of voluntary participants was 33,898 male and female workers. Their economic output reached 74,764 dinars. Between 1983 and 1985, the workers and laborers in Hadramawt province contributed to the realization of social and economic development projects involving water, electrical power, agriculture, fisheries, industry, transportation, communications, construction, and social services. The unions played a central role in stabilizing supply conditions as more than 2,098 workers contributed to handling 1,005,339 tons in products during the 1983-1985 period.

The report listed the projects undertaken by the labor council in Hadramawt province. They include the union cadres school branch construction project with a total budget of 2,700,000 dinars, the al-Shahr workers' project with a 100,000 dinar budget, the Saywun workers' guesthouse project with a 100,000 dinar budget, and the health unit construction project for workers at Jawl Mashah with a 15,500 dinar budget. Lately a health unit in the Khalf area was completed. It cost 6,900 dinars.

The evaluation report praised the notable successes in improving the conscientious work attitude, the professional and political training schemes for workers to increase their ideological and intellectual levels, and the role played by the unions' evening school in raising the scientific and professional skills of workers.

It is worth noting that the labor council secretariat in Hadramawt province, the labor councils in the labor directorates and central offices, and the union committees at the work and production sites in the province are nowadays carrying out economic and cultural activities to celebrate the union movement's fifth general conference to be held during the second half of next October.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

INTERIOR MINISTER IN CZECHOSLOVAKIA--Comrade Brigadier General Salih Munsir al-Sayili, member of the political bureau and interior minister, is still visiting the Czechoslovak Socialist Republic. Our embassy's charge d'affaires gave a dinner reception in honor of comrade al-Sayili and the accompanying delegation the evening before last. Comrade Vratislav Vajnar, Czechoslovakia's interior minister, and a number of party and Czechoslovak interior and foreign affairs ministry officials attended. The delegation from Democratic Yemen, headed by comrade al-Sayili, and the delegation from Czechoslovakia, headed by Vratislav, had held discussions the day before yesterday and exchanged views and common experiences. Their views on current international conditions coincided. The Czechoslovak side asserted its support to the cause of the Yemeni Socialist Party and the revolutionary government in our country, and its common stand with our country against imperialist conspiracies. Comrade al-Sayili met with comrade (Mikolashi Bino), member of the political bureau and secretary of the central committee, and discussed current conditions in the Arab countries and the world. Comrade (Mikolashi Bino) confirmed the support of the Czechoslovak Party and government for the Yemeni Socialist Party and the people of Democratic Yemen in their just struggle and in dealing with the traces left by the failed, bloody 13 Jan conspiracy. [Article: "The Interior Minister continues his Visit to the Czechoslovakian Socialist Republic"] [Text] [Aden 14 UKTUBAR in Arabic 1 Oct 86 p 1] 13314/12948

SUPPORT FOR SUDANESE COMMUNIST PARTY--Comrade 'Ali Salim al-Bid, secretary general of the central committee of the Yemeni Socialist Party, asserted that our party and our people stand by the struggle of the Sudanese Communist Party and the progressive and nationalist forces in Sudan in their effort to further the democratic changes in Sudan and to liquidate what was left of al-Numayri's dictatorial regime. Comrade al-Bid spoke during his reception at his office of comrade Muhammad Mahjub 'Uthman, member of the central committee of the Sudanese Communist Party, who is currently visiting our country by invitation of the central committee of the Yemeni Socialist Party. The comrade secretary general explained the economic, political, social, and party developments witnessed by our country after it got over the damage caused by the failed and bloody conspiracy of 13 Jan, which was planned and executed by conspirator 'Ali Nasir Muhammad and his gang, as well as the socialist developments in the duties of the national democratic revolution. Comrade Muhammad Mahjub explained the current developments in Sudan and

talked about the struggle of the Sudanese people, led by its nationalist and progressive forces to defend the gains achieved by the uprising of Apr 85 and to further democratic procedures. He referred to the progress in the basic relations between the Yemeni Socialist Party and the Sudanese Communist Party. [Article: "The Secretary General Confirms the Solidarity of Democratic Yemen with the Struggle of the Sudanese Communist Party"] [Text] [Aden 14 UKTUBAR in Arabic 2 Oct 86 p 1] 13314/12948

MESSAGE TO CASTRO--Comrade 'Umar 'Abd-al-Samad, chairman of the national directorate of the Popular Defense Committees Organization and president of the Yemeni-Cuban Friendship Association, transmitted an oral message from comrades Salim al-Bid, secretary general of the central committee of the Yemeni Socialist Party, and Haydar Abu Bakr al-'Attas, member of the political bureau and chairman of the Supreme People's Council directorate, to comrade Fidel Castro, secretary general of the Cuban Communist Party and president of the state council and cabinet of the Cuban Socialist Republic, regarding the two countries' friendly bilateral relations and a number of issues of common interest. This took place during the reception given to comrade 'Umar 'Abd-al-Samad by comrade (Houari Brabquita), member of the political bureau of the Cuban Communist Party, early this week. Friendly relations between the two countries and the two parties, and the ways to strengthen and improve them in various areas, were discussed during the meeting. Comrade 'Abd-al-Samad expressed our party's and our people's appreciation for the Cuban revolution's position on and solidarity with our party and our people. Comrades 'Umar Husayn al-Huraybi, our ambassador to Cuba, and Qasim Sayf, secretary for national relations, attended the meeting. Comrade 'Umar 'Abd-al-Samad had made a speech, on behalf of the delegation of the Popular Defense Committees Organization, the the Third General Conference of the Defense of the Cuban Revolution Committees Organization attended by comrade Fidel Castro, and expressed the pride of our party and our people in the advanced relationship between the two countries and in strengthening and improving the relations between the organizations in the two countries. In a related development, the organization's delegation met with the delegations from Czechoslovakia, Poland, and Afghanistan, as well as with other participating delegations who asserted their solidarity with the progressive regime in our country and their interest in strengthening relations between our Popular Defense Committees Organization and the organizations and fronts in their countries. [Article: "Joint Letter from al-Bid and al-'Attas to Fidel Castro, transmitted by 'Umar 'Abd-al-Samad"] [Text] [Aden 14 UKTUBAR in Arabic 2 Oct 86 p 1] 13314/12948

CSO: 4404/73

AFGHANISTAN

UNACCEPTABLE TOPIC BECOMES NEGOTIABLE FOR SOVIETS

New Soviet Attack on Paktia Imminent

Brussels LA LIBRE BELGIQUE in French 3 Sep 86 p 2

[Text] We learned on Tuesday from a Western diplomatic source in Islamabad, the capital of Pakistan, that at least 40 Soviet soldiers had been killed by the Afghan resistance during hard fighting which occurred between 15 and 20 August last in the province of Ningarhar, in the eastern section of Afghanistan.

This source added that, in addition, in the course of the fighting, the Soviet forces lost 30 vehicles of various types and three tanks. The commander of the Afghan troops involved in the combat, an individual named Abdul Latif, is said to have given himself up to the Mujahidin with 80 of his men. As for the Mujahidin, they would be mourning the loss of some 12 men. According to that source, it involved the fiercest battles since the Soviet-Afghan troops launched a large-scale offensive in the Kunar valley last year.

The same source reported violent fighting on the edge of the town of Kandahar, and it added that the rebels had regained control of the town of Herat for the third time since the beginning of the summer. Last month, the Afghan agency, Bakhtar, had indicated that the governmental troops had killed an undetermined number of rebels and destroyed their position in the Herat province, on the border of Iran.

Convoy

The Islamic Afghan Press Agency reported on Monday that nine guerrilla fighters had been killed and 13 other wounded during an attack launched last Tuesday against a large convoy of the Afghan army, some 20 kilometers southwest of Gardez, the capital of the border province of Paktia.

According to this source, which is close to the guerrilla and considered reliable as far as the eastern border zones are concerned, other battles took place last week in that same Zurmat region and the guerrilla claims to have destroyed several armored vehicles and killed several government soldiers and militiamen.

The agency indicated that, expecting a new offensive in the Paktia province, the stronghold of the guerrilla, which had already been subjected to a large-scale offensive last year as well as in the spring, the convoy of the Afghan army was digging in. According to the agency, the most influential local guerrilla commander, Jallaluddin Haggani, ordered a general mobilization of the guerrilla forces in that region, on the border of Pakistan, for he believes that the Zurmat fighting is a prelude to the impending offensive.

Western observers having recently traveled through Afghanistan by the side of the guerrilla, had also mentioned the imminence of a new attack on Paktia. Since 1978, the guerrilla has been strong in that region rendered strategically important by its many crossroads.

#### A Hundred Dead

Western diplomatic sources claim that Afghan resistance fighters finally attacked Soviet military installations in Kabul and some 100 people altogether may have died recently in the bombing of an ammunition dump in the suburb of the Afghan capital.

Saturday night and Sunday morning, rebels fired rockets at the radar station for anti-aircraft missiles, on the Kome Chenel Gazi hills, at a Soviet military base in Khair, at the Soviet embassy and at a military command post in the Daruleman region.

The same sources added that it was not known whether the attacks made casualties. The Soviet Afghan forces defending Kabul reciprocated for several hours with artillery rockets.

Moreover, the same sources indicated that between 50 and 100 persons were killed last week by the explosion which destroyed an ammunition dump of the 9th division of the Afghan army, in the western districts of Kabul. A first report mentioned 40 dead. Afghan exiles believe that it was one of the largest dumps in Afghanistan.

#### Soviet-American Discussions on Afghanistan

Brussels LA LIBRE BELGIQUE in French 3 Sep 86 p 2

[Article by Michel Rosten]

[Text] Soviet and American experts began discussions on Afghanistan on Tuesday. They are in keeping with the general context of the meetings preliminary to the one which Shultz and Chevardnadze will hold on 19 and 20 September in Washington, with a view to setting up a second meeting between President Reagan and Gorbachev.

The American delegation is headed by Under Secretary of State for East and South-east Asia Arnold Raphael. On the Soviet side, discussions will be conducted by Yuri Alexeyev as head of the Near East department of the Soviet ministry of foreign affairs.

## Silence

The two delegations agreed not to reveal any development of the work. By so doing, they conform to the traditional custom observed by the two superpowers as soon as they sit at a conference table. To be sure, lately, discretion no longer seems to be in keeping with the United States, at least when discussions pertain to disarmament issues. As a matter of fact, the Soviets have explicitly blamed the Americans for this course of action, pretending to forget that, before Mikhail Gorbachev came to power, the Kremlin was submitting most of its proposals publicly before lodging them through the proper channels!

## Differences

Furthermore, let us note that it is the second time in the space of a few days that the Afghan case is being discussed by the two superpowers. As a matter of fact, last week, the new vice minister of foreign affairs, Adamichine, had spoken about the case with the under secretary for political affairs at the State Department, Michael Armacost. This working meeting, devoted to regional conflicts, had been the subject of conflicting commentaries: Last Friday, the American government had called it "useful" and "serious," whereas Adamachine had felt that "little progress had been made."

However, the very fact that political conversations are currently taking place in Moscow between Americans and Soviets on a subject which did not lend itself to many discussions prior to the Geneva "summit" tallies with the analysts' conviction that the USSR wants to disengage the expeditionary corps that Brezhnev sent to Kabul.

It is necessary to acknowledge the fact that it would have been very easy for Gorbachev to refuse any concessions on Afghanistan if he were not considering the possibility of withdrawing his troops. It would have been enough to say that the issue was non-negotiable, for the same reason that President Reagan's strategic defense initiative was not. After all, the European security conference was negotiated shortly after the Warsaw Pact forces had invaded Czechoslovakia and... while Nixon was ordering Hanoi bombed.

## Positions

This point having been made, the United States remains of the opinion that the Kremlin's promise to withdraw six regiments from Afghanistan (approximately 8,000 men) before the end of the year has only a symbolic value. The Vladivostock speech, for all its importance, is nothing more than a first step. What Washington wants is the complete withdrawal of the 115,000 men stationed in the country since 1979.

Can this be considered at a future date? It is not unreasonable to think so. With this in mind, it should be noted that consultations have just resumed this week between the USSR and Pakistan. Interrupted in 1983, their purpose is to "improve relations between the two countries," comments laconically a communique published in Islamabad. On Monday, Valkov, Moscow's emissary, who is chief of the Southeast Asia department at the ministry, under Chevardnadze, renewed the dialog and, on Tuesday, he met with Zain Noorani, the minister of state for



foreign affairs. It is possible that the latter reiterated the desire to see the USSR withdraw all of its forces from Afghanistan.

Finally, let us remember that Kabul, on the contrary, is requesting that the Soviet presence be maintained for another 4 years. As for the Kremlin, it continues to claim that it favors a negotiated solution; but it attaches a condition to it: The United States and other western countries must give up supporting the Muslim rebellion eager to overthrow the regime in place in Kabul.

#### Maturing Resistance Feels Abandoned

Brussels LA LIBRE BELGIQUE in French 3 Sep 86 p 2

[Article by Philippe Paquet]

[Text] Is the tendency to speak about Afghanistan and to represent that country abroad conversely proportional to the understanding one has of the realities of the battleground? One is inclined to believe this when listening to Commander Gul Jan Farahi, secretary general and military expert of the Afghan People's Islamic Council. Now that he leads the resistance from within the country, this former professor of mathematics from Kabul, thrown in jail in June 1978, where he remained until Babrak Karmal's assumption of power, does not mince his words to criticize the passivity and slackness of the numerous political parties which, from Peshawar, in northern Pakistan, mean to organize the struggle against the Soviet occupation forces.

Gul Jan Farahi, whom we recently met in Germany, at the end of a promotion tour for the political recognition of the problems faced by the Afghan Mujahidin in the field, notes that "For the past 7 years, the political parties settled in Pakistan have pretended to represent the resistance. For the past 7 years, they have received the majority of the international aid but, during that time, they have done nothing concrete for Afghanistan, neither in the military sector, nor, for example, in education and health. The Afghan commander wonders how these parties could play any kind of role in the conduct of the operations. "The Soviets are constantly experimenting with new weapons in Afghanistan and the parties in Peshawar are not even aware of it! In addition, every 6 months, the Red Army renews its contingents in Afghanistan. As for the Mujahidin, they must continue to fight non-stop. The political parties do not even seem aware that the guerrilla fighters must also rest! For them, Afghanistan has no problems!"

To listen to Farahi, the health care situation is not much better. He insists that "The political parties have failed to initiate any programs to organize a health care service within Afghanistan. We can only count on a few foreign doctors." As for education, the Afghan population continues to be just as deprived since the Soviet methods consist in sending a growing number of children for training in the USSR. The consequence of this inaction, believes Gul Jan Farahi, is that "The Mujahidin are falling prey to pessimism, feeling as though they were being abandoned. The Afghan guerrilla fighter can only count on himself and must find the means of meeting all of his needs from within the country."

## Only Ten

Commander Farahi stresses that danger for the Afghan resistance has increase in proportion to the substantial improvement of Soviet tactics over the past 3 years. Attacks are now launched by commandos, more efficient than the movements of armored vehicles, and are aimed at precise targets (especially the guerrilla's supply networks). The contingent, which no longer includes recruits from the Muslim republics of Central Asia, and this for a long time now, but includes nationals from the Baltic countries, uses sophisticated weapons and attacks not only the guerrilla fighters, but also any individuals suspected of helping or supporting them. The Red Army does not hesitate to burn the crops, destroy the wells, dikes and underground irrigation canals in order to starve the Afghan people. Gul Jan Farahi mentions that "In the Farah region alone, there only remain 10 of the 1000 wells which made farming possible. The others were filled by the Soviet soldiers."

The occupation forces are also trying to infiltrate the resistance and corrupt the chiefs of the local tribes, in particular along the Pakistani-Afghan border, through which travels the largest share of the aid given the guerrilla fighters. As worrisome as this situation may be, it does not mean, remarks Commander Farahi, that the guerrilla is at a standstill. On the contrary, it is gaining experience. It has no difficulty handling new weapons and it showed itself capable of carrying out large-scale operations as the recent blowing up of an ammunition dump near Kabul tends to prove. The Mujahidin have analyzed the tactics of the Red Army so well that, if Gul Jan Farahi is to be believed, it can never repeat them twice. The resistance has taken steps to protect the population involved with production. Its greatest pride though, is that it succeeded in preventing any infiltration by the collaborators of the occupation army.

## Control

For Commander Fahari, there is no doubt that 80 percent of the Afghan territory is under the control of the resistance. It is the latter which settles all problems, the Soviets having failed in all their projects of economic and cultural colonization. Soviet-Afghan troops in the western section of the country are said to be completely paralyzed and, in the north, they would only control the road axes. In the capital, the air bases, barracks, and Radio Kabul would, alone, really be in Soviet hands. As for Kandahar, the second-ranking town of the country, it is said to belong to governmental forces from 0800 to 1600 hours, to be taken back by the guerrilla as soon as twilight falls. The three Soviet divisions which were garrisoned there were moved near the airport (built long ago by the Americans) to protect them from night raids. Furthermore, a new type of reconnaissance plane drops flare bombs every 5 minutes in order better to watch the Soviet-Afghan bases at night! Such is the control Moscow is said to have over the Afghan territory! Commander Fahari admits, however, that Soviet air raids cannot be prevented.

Under these conditions, it is easy to understand the concern which the Sino-Soviet tentative attempts at rapprochement is arousing within the Afghan resistance. In a noted speech-program, delivered in Vladivostok on 28 July, the number one man of the Kremlin, Mikhail Gorbachev, offered to withdraw six

Soviet regiments from Afghanistan, mentioning other concessions likely to please the Chinese anxious, like the Soviets, to achieve rapidly a normalization of bilateral relations. A reduction of Red Army troops in Mongolia, also mentioned in Vladivostok, could speed up the process and, although an agreement is still far into the future--due, in particular, to Cambodia, no concrete proposal having been so far submitted by Moscow--, the fact remains nonetheless that Chinese and Soviet diplomats have never been as hard at it as they have been over the past few weeks. Gul Jan Farahi does not hide that a Sino-Soviet reconciliation would probably be done to the detriment of the Afghan guerrilla fighters. He buoys up his spirit by claiming to be convinced that such a reconciliation is practically impossible.

#### Wiped Off The Map

According to Commander Fahari, Afghanistan represents "something vital for the Chinese." He contends that "If that country were lost, then Pakistan would automatically be wiped off the map. The road to Karakorum, the strategic artery which costs the Chinese millions of dollars, would be directly threatened should the Soviets settle in Afghanistan." And he believes that Beijing will not stand for it, anymore than it can accept what would amount to a new stage in the much dreaded encircling of China by the USSR! Which would explain, according to him, the increased aid that the Chinese are giving the Mujahidin who, in all probability, are being trained somewhere in China. Still according to Gul Jan Farahi, military aid, however would be limited to the supplying of "defensive weapons."

Unable to count on a logistic support, financing of which is being diverted, claims Commander Fahari, by the political parties settled in Peshawar, the Afghan resistance will undoubtedly rejoice over being able to count, in the near future, on a more significant political support on the part of the western powers. As a matter of fact, the European countries, Belgium included, are being credited with wanting to express in better fashion their recognition of the Mujahidin as sole representatives of the Afghan people, by upgrading the level of diplomatic contacts with their leaders. Whereas they were more often than not received by high officials of the ministry of foreign affairs, an audience with the principal private secretary, if not the minister himself, is now being considered. Which is unquestionably a way of expressing our solidarity with a people deprived of their country for the past 7 years.

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CSO: 4619/2

BANGLADESH

# ZIA CHAIRS MEETING OF BNP STANDING COMMITTEE

Dhaka THE NEW NATION in English 20 Oct 86 pp 1, 8

[Text]

The standing committee of BNP in a meeting held yesterday with Begum Khaleda Zia in the chair called upon all democracy loving, progressive, patriotic and nationalist alliances, parties and individuals to build up a united movement for replacement of the present government by what it described as a genuine representative government of the people.

The meeting reviewed the existing socio-economic and political situation.

A resolution of the meeting said that the establishment of a "genuine representative government of the people" was necessary for restoration of democracy and fundamental rights of the people and solution of basic and immediate problems being faced by all sections of people and different professional groups.

Referring to the dawn-to-dusk programme of the opposition the resolution said that its success had reflected the peoples "no-confidence" in the government.

It said that the enactment of a "farce" in the name of presidential election at a time when the vast expanses of the country had been inundated and millions of people rendered shelterless and hard hit due to food and water crisis had, however, proved futile since even three per cent of the voters had not turned out at polling stations.

The resolution demanded cancellation of both the parliamentary and presidential elections in the interest of the country and the nation and called upon the people and all democracy-loving individuals, parties and alliances to forge an intensive movement to press for holding parliamentary election under a non-partisan and neutral government.

It said that the "illegal" government had destroyed

democracy and the democratic process by creating an adverse impression in the minds of the people about election which was, in effect, a fundamental precondition of democracy. At the same time certain decisions and pronouncements of some individuals and parties had virtually strengthened the position of the government and affected democratic movement, politics and ethical values, it added.

The resolution said that in this situation the political imperative of the hour was to build up firm unity of the democracy-loving people aiming at establishment of democracy.

It said that the results of the "farcical" presidential election as supplied by the Election Commission and publicised through the government-controlled media had surprised the people.

Referring to the socio-economic situation the resolution said that that economic situation had deteriorated alarmingly, prices of essentials had gone beyond the reach of the people, the peasants were being deprived of the fair prices of agricultural produces.

Expressing concern at the critical situation the resolution said that the incidence of corruption which had pervaded all tiers of the administration had beaten all previous records.

It said that the incidence of crimes had increased as illegal weapons had been supplied to the anti-social elements to contain the opposition.

It observed that it was urgent to put an end to this situation once and for all and to achieve this goal depended on united movement of the struggling people. This should be the main political task at this hour, it added.

It expressed indignation at the inadequacy in the supply

of relief materials to the flood-affected people and absence of measures to check epidemic diseases.

It condemned police action at the university, reluctance of the government to solve the problems of the medical students and university teachers and non-implementation of the agreement signed between the government and SKOP.

The resolution called upon the opposition parties which boycotted the presidential election not to join the parliamentary session weakening the movement and confusing the people.

It demanded immediate release of the political leaders and workers arrested centering the presidential election.

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CSO: 4600/1156



BANGLADESH

BRITISH ENVOY EXPLAINS NEW VISA REQUIREMENTS

Dhaka THE NEW NATION in English 25 Oct 86 p 3

[Text]

The British High Commission in Dhaka has regretted the withdrawal by Bangladesh government of a concession granted to British visitors.

Under the concession introduced some six months ago, British citizens intending to remain in Bangladesh for less than a fortnight required to obtain no visas. The concession was recently withdrawn following visa controls imposed by the British government on citizens of Bangladesh and several other countries.

The High Commission in a statement on Wednesday pointed out that the majority of British visitors to Bangladesh 'come on government or commercial business.'

Clarifying the recent decision by the British Government requiring Bangladesh citizens to obtain a visa before travelling, the statement said a visa application made in Dhaka 'is no different' to a request for entry to the United Kingdom made at Heathrow airport or any other port of entry prior to the introduction of the new visa requirement.

The point of control has merely been moved from the

Immigration Counters to the visa office in Gulshan, the statement said.

Rejecting the charges that the new visa requirements are racist, the High Commission said it was not imposed on the citizens of many other Commonwealth countries including the West Indies because very few travellers from those countries failed to meet the criteria of a genuine visitor.

The statement said the decision to move the point of enquiry back to the country of origin in the cases of Bangladesh, India, Pakistan, Nigeria and Ghana was taken because 'these five countries alone counted for over half of the people' who failed to satisfy Immigration Rules at Heathrow in the 12 months up to June last.

The statement said many of the young Bangladeshis who were refused entry at Heathrow had spent their life savings to buy the airline tickets. The system at Heathrow could not cope with the enormous influx of visitors requiring rather more than the normal short routine check of passengers' bonafides, the statement added.

The High Commission said a new visa office has been opened

and a streamlined procedure has been introduced to process applications with a view to enabling genuine visitors to travel to UK with the minimum of inconvenience. The intending visitors who can satisfy the Immigration Rules are being issued visas with the minimum of delay, mostly on the day of application it added.

The statement pointed out that the number of applicants who are being refused a visa is running at approximately the same level as that experienced for Bangladeshi visitors arriving at Heathrow before the announcement of the visa requirement.

Turning to stories of chaos at Heathrow the statement said a great number of people—'four times the normal level'—had tried to obtain entry before the deadline was reached.

The High Commission expressed the hope that the recently introduced administrative adjustment which works to the advantage of the bona fide visitors will in no way affect the long-standing warm and friendly relationship between the peoples of the two countries.

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CSO: 4600/1151

BANGLADESH

ENVOY TO UN ASKS FOR CONFERENCE ON KAMPUCHEA

Dhaka THE BANGLADESH OBSERVER in English 26 Oct 86 p 8

[Text]

UNITED NATIONS Oct. 23:—Bangladesh permanent representative to the United Nations Mr Justice B.A. Siddiky yesterday demanded an early reconvening of the international conference on Kampuchea, reports BSS

He also urged the states of the region that upon the achievement of a solution of the Kampuchean problem, they should strive to create in the area a zone of peace."

Justice Siddiky who is also the leader of Bangladesh delegation to the 41st regular session of the General Assembly was addressing the plenary on the agenda item "Situation in Kampuchea," (the discussion on Kampuchea began Monday and would be wound up in the morning session today with the adoption of a resolution)

Justice Siddiky said as Bangladesh stands committed to the UN charter it has endorsed all the UN resolutions on Kampuchea.

He reiterated Bangladesh's unambiguous position on the issue which is: withdrawal of all foreign troops from the Kampuchean soil restoration and preservation of that country's independence sovereignty and territorial integrity and the right of its people to determine their own future without external interference or intervention.

Stating that Kampuchea was one of the most regrettable issues of our times Justice Siddiky said 48 years ago some thought Czechoslovakia was a far away country about which we knew little and cared less. But the result was the Second World War he said and added: 'I say this

to warn those who might perceive Kampuchea as a distant land—that no problem no issue no country can be too far away in the modern world"

"Shall we not learn from history"? he asked. Bangladesh permanent representative said the Kampuchean issue had four elements—political military humanitarian and regional. He said in clear contravention of all norms and principles of inter-state relations and in gross violation of the UN charter a foreign power intervened in 1979 to oust the government in Kampuchea and install another of its own

choice. The newly installed government failed to win for itself a minimal measure of domestic and international support recognition was accorded instead to a coalition government that was broadly representative of the public opinion which was forced out of Phnom Penh into exile.

Discussing the military elements Justice Siddiky said an estimated number of 150,000 foreign troops are still present in Kampuchea engaged in a bitter conflict with the forces of the coalition government. The war has brought about a holocaust of death and he said destruction has driven hundreds and thousands from their homes. Further he said the war threatens to destroy the confidence and pride of a nation which can justly boast of one of the finest classical civilizations in the annals of man.

On the humanitarian level he said hundreds of thousands of distressed humanity sought peace by fleeing their homes and taking refuge in Thailand and in other neighbouring countries. This created a refugee problem of tremendous magnitude affect

ing not just the hosts but the entire global community.

Regionally justice Siddiky said it is not just Kampuchea and the Kampucheans that are threatened. The issue has wide regional ramifications and it might be difficult to conflagration which might engulf the neighbouring states of South East Asia.

He recalled that the General Assembly had adopted a number of resolutions calling for the withdrawal of all foreign troops from Kampuchea, the restoration and preservation of its independence sovereignty and territorial integrity and the right of the Kampuchean people to determine their own destiny.

He also mentioned the appeal made by the Non-aligned summit in Harare to the parties to abide by the UN resolution and the activities of the ad-hoc committee of the international conference on Kampuchea.

Bangladesh representative supported the eight point programme proposed by the Coalition Government of Democratic Kampuchea (CGDK) under the presidency of prince Norodom Sihanouk which has also been endorsed by the ASEAN.

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CSO: 4600/1153

BANGLADESH

## SAARC PANEL ON RURAL DEVELOPMENTS MEETS IN DHAKA

### Opening Day's Meeting

Dhaka THE BANGLADESH OBSERVER in English 19 Oct 86 p 1

[Text]

The seven-nation South Asian Association for Regional Cooperation (SAARC) is likely to take up joint venture projects in combatting natural calamities droughts and flood and improving rural water supply housing and energy reports BSS.

The efficacy of taking up such joint venture projects were discussed in the fourth meeting for the Technical Cooperation on Rural Development (TCRD) which began in Dhaka on Saturday.

Presided over by the current Chairman of the TCRD and Rural Development and Cooperatives Secretary Mr. M. A. Awal the meeting also discussed the proposal to set up an investment company for encouraging agro-based or forest-based areas of economic activities and viable joint ventures.

The Technical Committee reviewed the progress of the calendar of activities for 1986 and expressed its satisfaction at the progress made so far mostly in the fields of training course/workshop research studies exchange programme research proposal on rural development in South Asia-inter country comparative analysis and exchange of information.

Earlier report adds: The Local Government Rural Development and Cooperatives Minister Shah Moazzem Hossain on Saturday called upon the experts and officials of the SAARC countries to identify the roots and nature of rural development problems for combatting them through exchange of expertise information and coordination.

The Minister was inaugurating the fourth meeting of the Technical Committee on Rural Development (TCRD) of the South Asian Association for Regional Cooperation (SAARC) at a local hotel in Dhaka.

Shah Moazzem said that the fourth meeting of the TCRD was the reflection of our pledge to work together to fulfil the objectives of building of happy and prosperous future.

He reiterated all support and cooperation from Bangladesh to the Technical Committee for Rural Development and hoped that despite multiple problems the TCRD would maintain its onslaught towards materialising the hopes and aspirations of the distressed people in the region.

Presided over by the current Chairman of the TCRD and Rural Development and Cooperatives Secretary Mr. M.A. Awal the inaugural session was addressed by the Minister of State for Local Government Rural Development and Cooperatives Mr. B.K. Dewan the Chief Coordinator of the TCRD and Joint Secretary Mr. Ali Ahmed Khan the Director-General of BRDB Mr. Rezaul Hayat and the Maldives representative Mr. Musa Hasan.

Shah Moazzem said that the problems of the seven predominantly rural-based SAARC countries were almost identical.

He said within the old socio-economic structure the vast rural peoples in the SAARC countries were cut off from the modern amenities and suffered the vicious circle of hunger illiteracy unemployment malnutrition and suffered the oab eta shemf tashr diseases.

Shah Moazzem appreciated the TCRD project of publishing a directory of specialists and hoped that in future pragmatic joint venture projects on rural development among SAARC countries would be taken.

Mr. B.K. Dewan in his speech said that the initiative taken by Bangladesh in 1980 to form an association with seven countries of the region was now a reality.

He hoped that the high officials and experts participating in the meeting would be able to adopt more pragmatic programmes for future implementation.

The fourth meeting of the TCRD participated by the experts and officials of the seven member countries of the SAARC would review the progress made so far in implementing the programmes undertaken in the last meeting and finalise the programme for the calendar year 1987.

The participants would visit the Rural Development Academy at Bogra and some of the BRDB projects there on October 19 and 20.

#### Activities Planned

Dhaka THE BANGLADESH OBSERVER in English 20 Oct 86 pp 1, 8

[Text]

The two-day fourth meeting of the Technical Committee on Rural Development (TCRD) of the South Asian Association for Regional Cooperation (SAARC) ended in Dhaka on Sunday and finalised the calendar of activities for 1987 reports BSS.

Under the calendar of activities the member countries agreed to conduct five training courses, two workshops, seminars and four more research studies on various important aspects of rural development.

Of the five training courses Sri Lanka will coordinate the course on "people's participation in rural development" to be held in January. Pakistan will host the course on "planning of social development" to be held in June. Bangladesh will coordinate the courses on administrative decentralisation for rural development and poverty focused rural development programme" and

India will sponsor a course on "poverty focused rural development strategy".

Of the two workshops/seminars Pakistan will organise one on "evaluation of local government system as a vehicle for rural development" and Bangladesh one on rural child development."

The four more new areas of research studies to be taken up in 1987 are: rural housing, rural markets and roads, rural institutions and rural energy. Besides research topics on people's participation, impact of poverty, focussed programme, rural water supply and transfer of technology would be carried over in 1987.

Besides India has agreed to hold a workshop on "disaster management" considering the plight of the rural people in the South Asia on account of natural calamities.

A Pakistani proposal to form a 'rural development corps' with young students/volunteers from all the member countries was agreed in principle. The corps members would visit the SAARC countries as a team and stay in selected villages to work on rural development projects with participation from local people to foster SAARC spirit of cooperation for the future.

Pakistan also offered one post graduate scholarship for a period of two years on rural sociology.

The TCRD meeting discussed the proposal for setting up of a regional institute for appropriate rural technology and reiterated the necessity for such an institute.



The meeting agreed that India would prepare a concept paper on the proposed institute and circulate it to the member countries by December 15, this year.

Regarding the setting up of an investment company to focus on agro-based and forest-based areas of activities the meeting felt that it was beyond the scope of the TCRD. One participant to the meeting told BSS that the technical committee on industrial development could take up the issue.

Relevant issues including soil erosion, deforestation and rural energy would be discussed in the workshop on transfer of technology to be held in India in February 1987 and an action plan is expected to be chalked out.

President over by the current Chairman of the TCRD and Rural Development and Cooperatives Secretary, Mr. M.A. Awal the meeting stressed the need for establishing linkages with international and regional institutions engaged in research and training on rural development of the SAARC region to take the advantage of their experiences and findings as well as to avoid duplication of efforts.

The two-day meeting was inaugurated by the Local Government and Rural Development and Cooperatives Minister Shah Moazzem Hossain and it was participated by 17 experts from the seven countries.

The participants to the meeting on Sunday left for Bogra to visit some of the rural development projects there.

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CSO: 4600/1149

BANGLADESH

MP'S URGED NOT TO PASS SEVENTH AMENDMENT BILL

Dhaka THE BANGLADESH OBSERVER in English 27 Oct 86 pp 1, 12

[Text]

Bangladesh Supreme Court Bar Association called upon the Members of Parliament on Sunday not to get themselves involved in any way in the passage of 7th amendment bill.

In a resolution adopted at its general meeting in observance of "black day" the Association observed that the bill would be purported to legitimatise all activities over the last four and a half years and to perpetuate dictatorial rule by way of crippling blows to the constitution.

It called upon the people to observe resistance day on November 10 to foil the efforts of the vested interests to perpetuate their rule. It felt that those Members of the Parlia-

ment who would take part in the approval of 7th Amendment Bill should be socially boycotted.

In another resolution the meeting expressed its deep concern over the sky-rocketing prices of the essentials and the failure of the Government to tackle the famine-like situation now persisting in different parts of the country.

It demanded the release of all political prisoners and the withdrawal of all cases against the political leaders and workers.

The meeting was presided over by Mr Shamsul Huq Chowdhury President of the Association.

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CSO: 4600/1150

BANGLADESH

BRIEFS

COMMUNIST PARTY CONGRESS--The fourth Congress of the Communist Party of Bangladesh will be held from March 10 to 15, '87. The Central Committee of the Party decided this at its meeting on Friday with Mr. Abdus Salam in the chair, according to a party Press release issued on Saturday. In a resolution adopted at the meeting, the party expressed its grave concern over what it termed 'a famine-like situation' in several northern districts of the country. It resented strongly the government's failures to tackle the situation in right earnest and demanded that the famine hit areas should be declared immediately as distressed areas. It noted unfavourable natural conditions including hailstorm and drought had caused extensive damage to crops in the northern districts. The excessive rainfall and the low price of raw jute have now aggravated the situation, causing immense suffering to the people, it added. [Text] [Dhaka THE BANGLADESH OBSERVER in English 26 Oct 86 p 8] /13046

WORKERS PARTY POLITBURO--Workers Party has called upon the opposition members of the Jatiya Sangsad to boycott the parliament session ending their self-contradiction. Making this call at a meeting of its politburo yesterday, Workers Party said that attending Parliament session would amount to extending indirect support to the passage of the indemnity bill. The meeting, presided over by Mr. Abul Bashar urged all democratic forces of the country to build up united movement for formation of an effective democratic government after a fresh parliamentary election. [Text] [Dhaka THE NEW NATION in English 25 Oct 86 p 8] /13046

MUSLIM LEAGUE LEADER--Muslim League (Kazi Kader) Secretary General has denied a report that the party will support the indemnity bill in the Parliament. In a statement issued yesterday he said that the report published in a section of the press regarding the party's support to the proposed indemnity bill was "baseless" and 'motivated'. He said "we have already revealed the decision of our party that the question of supporting all actions under martial law does not arise at all. We firmly stick to our decision". Referring to the presidential election Mr. Matin stated that another chapter of force had been added to the national history through the election. The outcome of the farce might be pleasant for the time being, but its dreadful consequences are inevitable" he added. [Text] [Dhaka THE NEW NATION in English 22 Oct 86 pp 1, 8] /13046

ENVOY TO SOUTH YEMEN--The Government of the People's Republic of Bangladesh have decided to concurrently accredit Mr Hedayet Ahmed, at present Ambassador of Bangladesh to the Kingdom of Saudi Arabia, as Ambassador of Bangladesh to the People's Democratic Republic of Yemen (South Yemen), says an official press release. [Text] [Dhaka THE NEW NATION in English 19 Oct 86 p 3] /13046

4 December 1986

PRISONER IN DELHI--A mental patient Elias Hossain Khokan, 27, of village Gorshahi under Badalgachhi upozila of Naogaon district is reportedly languishing in Delhi Central Jail on being suspected as a spy. One Bangladeshi national who had recently returned from Delhi informed his relatives about Khokan's present whereabouts. He has been missing since January, 1984 and despite a vigorous search by his relatives he was not traced out anywhere. He has not returned home this time, although he disappeared several times earlier and came back home himself after some days. His ailing old mother, wife and two minor children living in his village home have been passing their days in a miserable condition in the absence of Khokan who is the lone male member of the family. A cousin of Khokan approached the Bangladesh society for the enforcement of human rights with an appeal to put in its efforts to persuade the government to bring him back home. [Text] [Dhaka THE NEW NATION in English 19 Oct 86 p 1] /13046

AGREEMENT WITH CANADA--Bangladesh and Canada here yesterday signed two memorandum of understanding subsidiary to the third population and family health project in Bangladesh, commonly known as Population-3, reports BSS. Population-3 was signed in February 1986 with World bank. These subsidiary projects are valued at Canadian (Cdn) dlrs 41.81 million (equivalent to Tk 94 crore). The first project will provide increased opportunities for women to improve their socio-economic status through developing their skills for income generating activities and through family planning and material child-health programmes. In conjunction with the Ministry of Health and Family Planning the Canadian contribution will provide support to three population programmes for women's cooperatives, vocational training and mother's clubs. The contribution will also support the Swanirvar landless women's programme, innovative activities in the population sector, population activities of non-governmental organisations (NGOS); and for support to monitor the entire population-III programme. In the second project Canada will provide muriate of potash to be used as fertilizer to increase agricultural production and to be sold for counterpart funds to provide for the salaries of 5,500 Family Welfare Assistants (FWAs) who will be hired to assist in attaining the goals of the Population-III. [Text] [Dhaka THE NEW NATION in English 15 Oct 86 p 1] /13046

AMBASSADOR TO IRAQ--The government has decided to appoint Mr M.R. Osmany at present Bangladesh Ambassador to the German democratic Republic (GDR) as the country's Ambassador to the Republic of Iraq, a Foreign Office announcement said, reports BSS. [Text] [Dhaka THE BANGLADESH OBSERVER in English 25 Oct 86 p 3] /13046

COMMUNIST LEADER'S STATEMENT--Mr Mohammad Farhad MP General Secretary of Communist Party of Bangladesh demanded on Tuesday the release of all political prisoners and the withdrawal of the ban on the publications of weekly Ekota. In a statement issued to the press the CPB leader observed that a number of political workers arrested recently were still behind the bar. He also called for scraping the case instituted against Sheikh Hasina leader of the eight party alliance Mr Saifuddin Ahmed Manik a trade union leader and other political leaders. [Text] [Dhaka THE BANGLADESH OBSERVER in English 22 Oct 86 p 8] /13046

CSO: 4600/1155

IRAN

MONTAZERI'S ATTITUDE TO DISTANCE HIMSELF FROM KHOMEYNI CITED

London KEYHAN in Persian 30 Oct 86 p 6

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadeh]

[Text] Has Ayatollah Hoseyn 'Ali Montazeri, Khomeyni's successor elect, finally decided to distance himself from Khomeyni's republic of oppression and corruption?

This question is nowadays raised most decisively, both in the country and abroad. Since two or three years ago, Montazeri has consistently been critical and has tried through sermons and speeches to prevent the excesses of oppression and corruption in the republic. Apparently, he wished to be able to prevent, through his words at least, some of the crimes of the Khalkhali, Lajevardi, Khomeyni regime.

Last year, Montazeri was chosen as successor to Khomeyni by the Assembly of Experts. From the very first day, he has emphasized that he is not interested in this position. Nevertheless, due to the effective efforts of some of the people around him, Montazeri has agreed to leave the issue in abeyance.

The opponents of Khomeyni's regime and some of the neutral observers have always believed that Montazeri, in fact, plays the role of a well-wishing reformist and his objective is nothing but to soothe people's anger. In other words, Montazeri and Khomeyni have decided together that the former should appear as a kind, people-loving religious leader and the latter as the rough, suppressing leader.

Nevertheless, this evaluation, which undoubtedly reveals part of the truth, cannot be fully understood today. Montazeri, in fact, is trying to offer another face of the Islamic revolution and the Islamic Republic, a face acceptable to the majority of the people. On the other hand, Khomeyni has frequently said that the majority of the people are not in the least significant, in his opinion, because his righteousness will be protected by several hundreds of thousands of the Hezbollah members affiliated with the regime.



Last Saturday, Montazeri met in Tehran with Khomeyni. In this long meeting, according to informed sources, the main policies of the Islamic Republic were discussed and, in the conclusion of the meeting, Montazeri informed Khomeyni that he intends to sit at home and leave the choice of a new successor to the so-called "imam" in the hands of the Assembly of Experts.

Of course, Khomeyni's response is not clear to us. But his selfishness, obstinacy, and short-sightedness are such that, one might surmise, this response was probably very insulting.

Upon his return from Tehran, in his home in Qom, the upstairs of which belongs to Khomeyni, he closed himself behind the door and asked those close to him to inform the public of his discontent concerning the situation in general.

Will Montazeri actually separate himself from the regime of Khomeyni, Lajevardi and Khalkhali? Time will tell.

What must be discussed here is the difference between Montazeri and Khomeyni. Their differences are essential in some areas, and are not summarized in the black turban of one and the white turban of the other.

The fact that Khomeyni is not a traditional cleric, but considers himself to be on the same level as the prophets is gradually becoming clear. According to Bazargan, he even considers himself above the Prophet of Islam. Most Islamic experts and scholars believe that Khomeyni must be considered the first link in a new religious sect, which is only superficially Islamic.

Khomeyni has declared himself to be an "imam"; however, in Shi'ism, we have only 12 imams. He entrusted to the Majlis the task of choosing sources of emulation; however, the relationship between a source of emulation and the emulators has always been direct. His disrobing of Grand Ayatollah Shari'atmadari, who held the third position among the six sources of emulation, ahead of Khomeyni, was unprecedented in Shi'ite history. By initiating slogans such as "God is great, Khomeyni is the leader" and "God is one, Khomeyni is the leader," he showed that, in truth, he considers Islam as nothing more than a political tool to achieve power.

On the other hand, Montazeri is a traditional Shi'ite cleric, whose opposition to the regime of the shah stems from his feeling that the shah was directing Iran towards the West. Montazeri is one cleric who could be considered as having a place in the Constitutional tradition. Khomeyni, on the other hand, would never accept anything less than absolute power for himself.

After the revolution, Khomeyni headed a group, the most disreputable representatives of which include Sadeq Khalkhali and Asadollah Lajevardi. Khomeyni is directly responsible for tens of thousands of illegal, unjustifiable executions. He is also responsible for the stalemate in the Iran-Iraq war, the destruction of six provinces of the country, the economic downfall of Iran, and the existing famine and black market.

On the other hand, Montazeri went to Qom very early and tried to keep his distance from the wave of bloodshed and plunder which continued under the leadership of Khomeyni. Among the 10 or 12 main leaders of the Islamic Republic at the present, Montazeri is the only person who has had no personal role in the bloodshed, thievery, injustice and corruption of the regime.

Another important matter should also be mentioned. Montazeri knows that the masses of the Iranian people will not accept him merely because he was chosen by a rigged, incompetent Majlis. He also knows that the other grand ayatollahs in Najaf, Qom and Mashhad have long distanced themselves from the regime of oppression and corruption and will not endorse this republic of blood and theft in the future either.

But will Montazeri find the courage to sever himself completely from the Khomeyni, Lajevardi, Khalkhali group and return to the path of the suffering nation of Iran?

Such a change cannot be summarized merely in his conflict, sitting at home, and probable letters of complaint to Khomeyni.

In order to return to the path of the suffering nation of Iran, one must speak openly and decisively. Montazeri must say: Mr Khomeyni, you have executed tens of thousands of innocent people, from 9-year-old girls to 100-year-old men, and you must now pay retribution.

Montazeri must say: "Mr Khomeyni, you have imprisoned 100,000 innocent Muslims merely for not worshipping you, and you must set them free."

Montazeri must say: "Mr Khomeyni, you are responsible for the killing of more than one million Iranian Muslims, who have lost their lives since your sinister revolution in the war with Iraq or in local conflicts. Who will pay the price for their blood?"

Montazeri must say: "Mr Khomeyni, you have 'purged' tens of thousands of hard-working Iranians with the excuse that they have not praised you, and you do not allow them to serve the people."

Montazeri must say: "Mr Khomeyni, you and your allies have squandered billions in Iranian wealth in these seven years without any controls and you must pay it back now."

Montazeri must say: "Mr Khomeyni, by making managers and experts flee and by entrusting the affairs of the nation to the riffraff, you have paralyzed the Iranian economy and have caused the Iranian nation to once again suffer from poverty and destitution."

Montazeri must say: "Mr Khomeyni, in the name of Islam, you have created a belief which is not unlike idol worship during the Age of Ignorance. Who gave you permission to 'represent' Islam with massacres, plundering and oppression by yourself and your allies and, God forbid, to stain Islam's reputation in the world?"

If Montazeri speaks on these issues, undoubtedly, he will be able to claim that he has truly separated himself from the Khomeyni, Lajevardi, Khalkhali group.

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